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## Near East/South Asia Report

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## NEAR EAST/SOUTH ASIA REPORT

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REGIONAL AFFAIRS

PROSPECTS FOR PEACE DISCUSSED

London AL-MAJALLAH in Arabic 27 Nov 85 pp 14-15

[Article by 'Abd-al-Bari 'Atwan]

[Text] Two incidents and a piece of advice; all may summarize the course of events in the Arab region following the end of the superpower summit in Geneva.

The first incident is embodied in the hijacking of the Egyptian airplane that was on its way from Athens to Cairo, while the second incident is embodied in the dogfight that took place over Lebanon's al-Biqa' between Israeli and Syrian airplanes, which resulted in the crash of two Syrian planes, postponement of the signing of the Damascus accord, and a flare-up along traditional battle lines in the Lebanese capital, not between the Lebanese Forces and an alliance of national forces as usually happens, but between the Shi'ite Amal forces and fighters of the Progressive Socialist Party of which the Druze form a majority; in other words, between allies of just yesterday.

As for the piece of advice, it came from the Egyptian president, Husni Mubarak, for Mr Yasir 'Arafat, head of the PLO's Executive Committee, during the latter's visit to Cairo. A Palestinian official summarized it by saying that President Mubarak asked "Abu 'Ammar" to meet with all his comrades and adopt clear resolutions on the current peace process in the Middle East, and specifically toward the two Security Council resolutions, Nos 242 and 338, for without clear positions, there will be no place for the PLO in this peace process.

It is apparent that there are three main currents sweeping the Arab region:

The first current is led by groups opposed to everything that is going on in the region with respect to peace efforts and undertakings because of their belief that such efforts cannot lead to "honorable" solutions to fateful Arab issues. Adherents of this current do not hesitate to use violence in its various forms, including the hijacking of airplanes and ships and the assassination of diplomats, in order to wreck these peace efforts which are headed by the United States and Arab states, and which the Soviets ignore. The latest incident in which the Egyptian airliner was hijacked, the hijacking of the Italian ship Achille Lauro, and the assassination of Israeli and Jordanian diplomats can be classified under this heading.

The second current is embodied in the Syrian role, not just in Lebanon but also in the entire Arab region for Syria, which is considered a principal confrontation state with occupied territories, cannot allow the settlement process to go on without it having a basic role in it, and the role that Syria wants is to link the fate of the Golan Heights to the West Bank and the Gaza Strip; in other words, it is opposed to partial settlements and direct talks away from an international conference. The Jordanian-Syrian statement that was issued following talks between the prime ministers of the two countries, Zayd al-Rifa'i and 'Abd-al-Ra'uf al-Kasm, came to confirm these facts together. The Syrian-Israeli dogfight over al-Biqa' can be understood as an attempt by Israel to threaten Syria on the one hand, and to strengthen the parties opposed to the Damascus accord on the other, and at the same time, Syria wanted to confirm its rejection of the content of this message and respond to it by confronting the Israeli planes, even if this confrontation coincided with the holding of the Soviet-American summit in Geneva.

The third current believes that at a time of American-Soviet harmony, as embodied in the Geneva summit, efforts must continue towards a peaceful settlement. This current is led by Egypt and Jordan, while the PLO is trying to find a role for itself in it as it realizes that military action has been blocked and has become undesirable as a part of it.

#### Neglect or Agreement

After the final communique of the superpower summit in Geneva was issued, without any mention of the Middle East question, and after this issue, along with other regional issues, had been turned over to experts and the foreign ministers of the two superpowers, explanations and interpretations abounded. Some believed that this neglect of the Arab issue was a putdown of it and of Arabs in general, and that the two superpowers had concentrated on their special interests and their bilateral relationship, since these had taken absolute priority. Others saw the turning over of the issue to experts as a reflection of an agreement between the two leaders Reagan and Gorbachev along broad lines, leaving the details to those who were familiar with them. For this reason, Richard Murphy, the American assistant secretary of state for Middle Eastern affairs, flew to Cairo, Egypt, and Tel Aviv to inform officials there of the results of the summit talks and of the opening of new channels for moving towards peace.

President Husni Mubarak, who met with Murphy for 3 hours in Cairo, emerged afterwards to meet with reporters, and explained that the PLO's rejection of Security Council resolutions 242 and 338 was one of the obstacles to the peace process. It was as if President Mubarak were speaking for Murphy, and sending a message to Mr Yasir 'Arafat, who was holding a meeting of the PLO's Central Committee in Baghdad to define positions towards these two resolutions in particular.

A senior Palestinian official living in Cairo told AL-MAJALLAH that even though the Egyptian government had welcomed Mr 'Arafat's announcement of ending foreign commando operations and condemning all acts of violence and terror, it agreed completely with the Jordanian monarch that in order for the PLO to be an acceptable participant in the peace process, it must take the further remaining step, which would be to recognize Resolution 242 and thus the state of Israel, for without the acceptance of Resolution 242, the American veto against its participation will remain.

#### Mubarak's Advice

This official indicated that President Husni Mubarak had told Mr 'Arafat frankly that there was now little room for maneuvering and dodging, that it was no longer desirable at the present time that he attempt to steer clear of the clear resolutions and continue with ambiguities and generalities, and that he must gather together all the members of his leadership and study and discuss, and then make a final decision concerning his affairs. Before him lie two choices and no others: either participate in the peace process and accept what this participation requires in terms of recognizing Resolution 242, or reject this resolution and thus remain outside of what is going on now, and in that case Jordan would look for an alternative to the PLO as a participant in the talks and as a representative of the Palestinian people at them.

Mr Yasir 'Arafat, who seems to have taken this advice, gathered together all the members of his leadership in Baghdad (not in Tunis), and held a series of meetings: of the PLO's Executive Committee first, of the Central Committee of the Fatah movement second, then thirdly a joint meeting of the two committees, fourthly an expanded meeting of the PLO's Central Committee, and he ended these meetings with a fifth meeting, a meeting of the revolutionary council of the Fatah movement. In other words, Mr 'Arafat held meetings of all the organizations of the Palestinian revolution except the Palestine National Council.

One of those who participated in these meetings in Baghdad told AL-MAJALLAH that the issue was not whether to meet or not; rather it was a process by which to review comprehensively, at the level of the various levels of the Palestinian leadership, all questions before it, including the current peace process, and to adopt a resolution that would not have been issued by one body, but by all Palestinian leadership bodies.

This official, a member of the Central Committee of the Fatah movement, added that the Palestinian leadership will adopt a resolution, whatever its content, in light of what assurances it is given concerning the seriousness of the peace process and the extent to which America is prepared to accept the PLO as a full participant in the negotiations. If these assurances are given, the PLO's leadership might call for an emergency meeting of the Palestine National Council in order to present the matter to it, since it is the only party that can issue a resolution on accepting Security Council Resolution No 242.



In all cases, Egypt, Jordan, America, and Israel are all awaiting the PLO's decision, whether negative or positive. The next step will be taken in light of this decision.

#### Jordanian Alternatives

King Husayn tried to pass this waiting period by holding meetings with a number of Palestinian personalities from the West Bank and the Gaza Strip, such as Ilyas Furayj, mayor of Bethlehem, and Rashad al-Shawwa, mayor of Gaza. He also issued directives easing the difficulties Arabs from occupied territories have on the bridges, facilitating the transport of goods and products, and allowing people of these regions to be employed in Jordan.

As for Shimon Peres, the prime minister of the Hebrew state, he has overcome a serious crisis that almost toppled his coalition government when he silenced Ari'el Sharon, the minister of industry, who had criticized his peace initiatives, and consequently he has put an end to any opposition from the Likud bloc, his partner in the government. Opinion polls in Tel Aviv say that Peres has gained great popularity among Jews because of his peace efforts, and that he is now ready to tackle parliamentary elections and win a reasonable majority should the Likud bloc decide to withdraw from the coalition government.

Peres' latest statements have concerned his readiness to accept a formal international conference as a prelude to direct talks on peace in order to solve the main problem faced by the Jordanian side, which insists on the holding of such a conference. However, before taking this step, which he believes to be a concession on the part of his government, Peres is waiting for the Soviets to recognize the Jewish state again and to resume diplomatic relations, and for Jordan and Egypt to "tame" the PLO, especially with respect to recognizing the international Security Council's famous resolution No 242.

#### Difficult Choice

By carefully reading Mr 'Arafat's statements and the minutes of the Palestine National Council's latest meetings in Amman, the observer will sense that in all his recent positions Mr 'Arafat has been closer to accepting this resolution than rejecting it, and more than once he has announced that he accepts all United Nations resolutions, including Resolution 242. Even the Palestine National Council's latest resolutions in Amman do not openly reject this resolution, and they were content to reject it indirectly when they reaffirmed the resolutions of the Council's previous session in Algiers which had included a rejection of this resolution. However, what is required now of Mr 'Arafat is something much more than hints. What is required now is an open recognition of this resolution as a basis for a settlement in the Middle East.

What can be said is that the peace process stands at the door to a new phase of activity, and enjoys the implied blessings of the two superpowers. It is waiting for a number of things, most notable of which are an open Palestinian resolution, Syria's consent, American assurances, and a serious willingness by Israel to give up land for peace. If all these things are realized, then operations to prepare for talks will begin within weeks. However, if the essential elements are not realized, especially Syria's blessing and a positive Palestinian attitude, then preparations could be postponed, and embarking on such a settlement could become an adventure fraught with danger. Whatever the case, the current of violence will not cease, and it will continue with its efforts to wreck these movements. Peace will never be an ally of the Middle East region.

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ARMENIAN AFFAIRS

PROMINENT FIGURES URGE MITTERRAND TO DEFEND ARMENIAN CAUSE

Athens AZAT OK in Armenian 9 Dec 85 p 1

[Text] The ARF [Armenian Revolutionary Federation] Armenian National Committee of France has greeted with great satisfaction an open letter addressed to French President Francois Mitterrand by seven world-renowned figures, four of whom are Nobel laureates.

The signatories to the said letter are:

Sinn MacBride (Ireland), Nobel laureate in peace;  
Adolfo Perez Esquivel (Argentina), Nobel laureate in peace;  
Louis Nelle (France), Nobel laureate in physics;  
George Walldt (United States), Nobel laureate in medicine;  
Gunter Grass (FRG), writer;  
Alberto Moravia (Italy), writer;  
Francois Rigeau (Belgium), President of Peoples' Permanent Court.

In their letter, these seven world-renowned persons urge President Mitterrand to propose a resolution calling for the recognition of the Armenian genocide at the European leaders' summit to be held in Luxembourg on 2 and 3 December.

This initiative is part of the work undertaken by the ARF Armenian National Committee in France and Armenian national committees in other countries to gain recognition for the Armenian genocide in world forums and organizations. This work helped to reinforce the historical facts with the paragraph related to the recognition of the Armenian genocide in the report prepared by British expert Benjamin Whitaker and approved recently by the UN Subcommission on Prevention of Discrimination and Protection of Minorities.

Work is also in progress on a resolution to be submitted to the European Parliament calling for the start of a dialog between Armenians and the Turkish government.

The said open letter states that it is essential to have the solidarity and assistance of those governments which support human rights and which declare their stance on every occasion on international and public forums.

EGYPT

## MEANS TO DISPOSE OF UNSALABLE COMMODITY STOCKPILES PROPOSED

Cairo AL-AHRAM in Arabic 23 Oct 85 p 6

[Article by Ahmad Nasr-al-Din: "When Will Goods Imprisoned in Dark Warehouses Emerge to Market; Stockpiles in Public-sector Warehouses Valued at 670 Million Pounds; Central Bank Demands Sale of Stockpiles in Installments and Minister of Finance Proposes Paying 2.5 Percent of Sale Revenues to Workers To Encourage Them To Sell Goods; Minister of Industry Demands That Study on Marketing Goods Be Conducted by Authorities Concerned"]

[Text] The problem of the commodities stockpiled in the public-sector and government warehouses is an old but ever-recurring problem that has been discussed to death but that continues to be present like a fearful ghost threatening the government treasury. Despite hundreds of papers exchanged between the workers and the leaders in charge, the problem persists and has not been settled yet. So what is happening in this arena that is bleeding as a result of accumulating losses?

What is surprising is that the system of warehousing the stockpiled goods represents in itself a problem that contributes to the unsalability of the stockpiles. This is because this system of warehousing is unscientific and unsound. Even if the government issues a decision on the need to get rid of the unsold stockpiled goods, releasing the goods via the labyrinths of this primitive type of warehousing will be a problem. The minister of finance has tried to contribute and help encourage the workers to find the means to dispose of these stockpiles and has instructed that 2.5 percent of the value of the unsold stockpiles be disbursed to the workers. But the minister has made it conditional that the reward be disbursed only after all the stockpiled goods are sold and disposed of.

Offering this reward is, of course, no more than a superficial solution to the problem. This fact is reflected in the statement by Engr Muhammad 'Abd-al-Wahhab, the minister of industry, who said: "The reason for the accumulation of the stockpiles in the past is due to production without any study to find out the actual needs of the local market and the export market."

Should such a study be conducted, the stockpiles may disappear gradually. It may even be possible to create a market for them on auction days. But because

the stockpiles do not, for example, meet the masses' needs, then auctions will also constitute a weak solution unless they cover a high percentage of the stockpiles, as President Muhammad Husni Mubarak has instructed.

A new study on the local and export markets' needs is currently being conducted by the Ministry of Industry so that imported goods will not compete with or overwhelm local products because of the people's need for the local goods and their lack of need for imported goods for any reason whatsoever, whether pertaining to quality, taste, or raw materials.

To dispose of these stockpiles, which are valued at 600 million Egyptian pounds so far, the Central Bank of Egypt has proposed the revival of the system of sale on installments for the consumer goods sold by the public-sector companies.

Husayn 'Abd-al-Wahhab, the undersecretary of the Ministry of Finance for government services, said: The warehouses where the unsold goods are stored contribute to the unsalability of the stockpiles because the unsold goods get damaged rapidly due to the lack of trained warehousing labor. It has been proven that 77.3 percent of the workers in the warehouses are untrained, that the warehouses are in a lamentable condition, and that 9,114 warehouses are fit, 942 are repairable, and 585 are absolutely irreparable.

Mahmud Faraj, inspector of warehouses at the Ministry of Finance, said that there are rubber tires with a total worth of 100,000 pounds stored in a government warehouse in al-Jazirah facing the danger of being completely damaged because of the lack of sound rules of storage and because they are left in the open instead of being stacked up in lines on wooden or iron shelves so that they may not be exposed to damage by the elements or by fires resulting from negligence and laxness.

#### Danger in Warehouses

The Government Services Authority's experts asserted after on-the-spot visits that a large number of warehouses are unfit for storage and are exposed to the dangers of fires and theft and that they lack the means of lighting and ventilation. These experts asserted that it is impossible to repair these warehouses due to the lack of appropriations allocated for the purpose. Moreover, there is no interest in warehousing work among trained workers, who avoid this vitally important job.

The sale activity from the end of June 1983 to the end of September 1984 shows that the value of unsold Russian goods [al-rakid al-rusi] amounts to 3.5 million pounds, of non-Russian goods to 13 million pounds, and of miscellaneous small goods and scrap to 80 million pounds. This is at a time when the public-sector companies refuse to sell their stockpiles at prices below the book prices due to profit and capital losses. Consequently, the only way out is to keep the stockpiles. Moreover, many of the authorities concerned have not implemented the premier's decree No 137 of 1978 on setting

up units for control over their commodity stores due to the lack of necessary labor. Obtaining this labor imposes new financial burdens and its absence leads to irregular work at the warehouses and to the emergence of the problem of stockpiles.

What is required is to amend the presidential and ministerial decrees in order to entitle the authority to exercise fundamental executive and practical powers. Moreover, it is necessary to amend some of the provision of the government warehouse by laws, especially Article 81 of these bylaws, which states that if the authority fails to submit its annual specifications, including its actual commodity requirements, then the Ministry of Finance shall allocate for the authority an appropriation different from the appropriation requested by these authorities. This results in appropriations that may exceed the actual requirements of these authorities and the subsequent reemergence of the problem of unsold stockpiles. It is like a vicious circle.

If there are bad and unfit warehouses, especially in the government authorities and agencies, then there are at the same time model government warehouses, such as the warehouses belonging to the Chemicals Agency of the Ministry of Industry. Husni Yusuf 'Abd-al-Ghani, the manager of the agency's warehouses, said: I deal with the crews working in the warehouses as if they were crews working in private-sector warehouses. They are eager to provide all the means that ensure order, precision, and safety, especially since the warehouses contain scientific equipment, sensitive chemical and medical materials, and various laboratory instruments with which 25 laboratories at the agency's main building are supplied.

#### Experts' Opinion on Solutions

The experts propose a number of fundamental solutions which must be turned into a reality so that this problem, which is worrying all of the state's production sectors, may disappear and so that it may also disappear from the "mechanism" of Egyptian production activity.

1. Consideration should be given to setting up a fund for the warehouse building and warehousing equipment throughout the state--a fund similar to the fund for courthouses and courthouse furnishings--provided that this fund's resources come from deducting 50 percent of the revenues from selling the stockpiled goods, with this deduction deposited in the Central Bank of Egypt under the accounts belonging to the warehousing authority, and from state aid allocated for the fund. When all the agencies concerned throughout the state request financial appropriations included in their draft budgets for the construction of new warehouses or for the maintenance and furnishing of existing warehouses, such requests result in enormous appropriations sought by all the authorities concerned at once and in the same year, thus saddling the state budget with a heavy burden. This highlights the need to set up a national fund specialized in financing the activity of warehouse construction or maintenance of furnishing activity throughout the country, provided that this fund with all its operational crews be put under the control of the Public Government Services Authority.

2. As far as the human element in the warehouses is concerned, the promotion of workers must be tied to passing special training courses and to rewards and incentives offered by the agencies for which they work, in addition to a rewarding hazardous work allowance under the name of a "warehousing safety allowance" amounting to 30 percent of the wages. It is also necessary to draw the attention of all the agencies concerned to observe the requirements that must be met when selecting warehouse managers.

3. The solution proposed for the problem of unsold stockpiles is:

- The agencies that have not yet set up control units on the pretext of the unavailability of the labor should be instructed to permit establishing new jobs for control units to solve this problem in a manner that ensures that stricter control be established over the stockpiles and that the requirements be assessed according to actual needs, provided that the heads of these units come under the technical and administrative control of the Government Services Authority.

- The committees formed previously must continue their efforts to dispose of the unsold varieties in all the government warehouses. These efforts must be made under the ultimate supervision of the higher committee.

- The higher committee's decision not to dispose of the unsalable stockpile at a price below its book price should be reconsidered because the currently prevalent market price is below these book prices.

- The public-sector companies must be instructed to dispose of their unsalable stockpiles by selling them in legal ways or by asking the Public Government Services Authority to sell them on its own.

- The minister of industry should issue a decree instructing the public-sector mining companies to purchase the scrap metal and to transport it on their own from the sites of the selling companies.

8494/6662

CSO: 4504/80

EGYPT

## STEPS TO SUBSTANTIATE 'MADE IN EGYPT' SLOGAN OUTLINED

Cairo AL-AHRAM in Arabic 23 Oct 85 p 9

[Article by 'Imad Ghunaym: "So That 'Made in Egypt' May Not Be Turned Into Mere Slogan, It Is Required That Legislation Demanding Labeling of Goods in Circulation Be Revived"]

[Text] The slogan "made in Egypt" enjoys an overwhelming interest these days from the various intellectual, political, social, and economic tendencies. Numerous politicians and intellectuals have expressed the belief that broadening the circle of self-reliance in economic life will have the biggest impact on solving many of the problems currently facing society.

This intensifying popular tendency to crystallize the slogan "made in Egypt" has thrown on the shoulders of the economists the main burden of contributing proposals on the means that ensure the implementation of this slogan in the state's various economic activities.

Within this framework, and to launch a dialogue on this fateful issue, we present here some of the visualizations which Dr Mansur Fahmi, an economics professor at the Business College [presumably of Cairo University], deems necessary for encouraging a turn toward production and for developing the slogan "made in Egypt" through using economic and financial instruments to crystalize this slogan. Dr Mansur believes that the profit margin of Egyptian products must be raised at the various outlets so that this margin may not be less than the profit margin of similar imported products. He prefers to see the profit margin of local products exceed that of imported products in order to tempt middlemen, to compete in marketing local products. If there is any need to impose controls or restrictions on the marketed goods, then it is essential that such controls and restrictions be stricter on imports. Anybody wishing to advertise a foreign commodity must advertise in the same medium a competing Egyptian commodity and this must be stipulated in the agreement between the Egyptian and the foreign firm. A distinction must also be made in tax exemptions between those dealing with a foreign commodity and those dealing with an Egyptian commodity.

In light of the rule of providing an example, the officials must organize conferences and symposiums to advertise Egyptian products. Moreover, a



report on the efforts to use local materials instead of imported products and materials must be attached to the budget of every government company and agency.

The authorities and agencies that assist in bolstering the slogan "made in Egypt"--such as the National Research Center, the universities, the Ministry of Agriculture's research centers, the construction research centers, and the Patent and Invention Registration Authority--must be bolstered with sophisticated administrative outfits that are specialized in social marketing in order to transmit their ideas to where they are utilized. Popular investment at the broadest level must be encouraged by accepting the Egyptians' savings at the current interest rate plus at least 2 percent and these savings must be employed in Egyptian national industrial investment companies. This must be done on condition that the savings' yield to be distributed is no less than the current interest rate plus 2 percent, that the right of withdrawal at any time be guaranteed, and that an opportunity for the distribution of a higher yield be offered as long as profits permit it. Such savings should be channeled to serve projects that uphold the slogan "made in Egypt" and that specialize in producing alternatives to imports or in making up for shortages of imported goods, such as cement, glass, sanitary fixtures, readymade clothing, and other products.

A national idea bank can be founded to gather proposals, studies, and ideas and to act as a middleman between the side presenting the idea and the side using it in return for a reward given to the side offering the idea or proposal. A national management school can also be founded to train workers in the economic sector to perform administrative, supervisory, and specialized tasks. This school's work can be founded on the basis of constant training.

Dr Mansur Fahmi also demanded that the production committees be re-formed so that they may be present at all the production and service sites, with a central committee comparable to an executive board and branch committees existing in the sectors or plants and including worker representatives with the same specializations as those of the central committee. The production committee's task should be the task of fighting waste, laxness, pretended sickness, truancy and idleness, of developing the activity of the official agencies and of the popular agencies through a 30-year experience which represents the revolution's effort, and of drawing conclusions and formulating models along whose lines productive work should proceed in the light of the experience, by focusing on the positive and avoiding the negative. We have, for example, an experience in building popular agencies, embodied in the unions and in their elected members. The question raised now is: What is the formula required in the wake of all this effort?

In this regard, some of the free zones can be designated for the establishment of high-level Egyptian industries whose products are allocated for export and are not allowed to be marketed at home. It is preferable to give such industries the right of consumer sale within the free zone. Let the first experiment in Port Said provide the example of how eager Egyptians are to frequent separate zones selling Egyptian products. We will thus build a

historical background embodied in the serious desire and effort to obtain a commodity that is tempting in price and quality and with a label saying "made in Egypt." We can thus regain part of the confidence in Egyptian products.

Dr Mansur Fahmi also drew attention to the need to revive legislation on the labeling of all goods circulated in the Egyptian market. Some people with certain interests have tried to abolish this legislation which covers the labeling of all goods circulated in the Egyptian market. The label and package must spell out all the data and information clarifying the name, trademark, manufacturing circle, method of use, and so forth. In case a product is entirely produced in Egypt, this should be pointed out. The fact should also be noted if the product is only packaged in Egypt or manufactured under a concession from a foreign firm. All this must be printed on the label in Arabic. If there is any need for another language, then it must be printed side by side with the Arabic.

This legislation also stipulates that a project's publications, commercial address, and trademark be printed in Arabic. In case of need for another language, Arabic should be the main language and should be printed boldly. This legislation is necessary to counter the labeling chaos that has prevailed in the Egyptian market for the sale of products that are packaged in Egypt or manufactured in Egypt under the system of licensing but which are sold in Egypt as products manufactured abroad. The situation has reached such a point that when some Egyptian plants reach the stage of developing their products, they choose for these products foreign names and engulf them in a foreign atmosphere to give the buyer the impression that they are foreign, not Egyptian, products.

This is in addition to the fact that the Ministry of Industry's industrial control agencies should periodically inspect the plants to check quality and to examine the specifications and other requirements of industrial standardization. It is to be noted that the role of these agencies has declined or ceased in the past 15 years.

8494/6662

CSO: 4504/80

5 February 1986

## TUNISIA

## PAPER VIEWS PROSPECTS FOR INCREASED TRADE WITH YUGOSLAVIA

Tunis DIALOGUE in French 2 Dec 85 pp 42-43

[Article by Chedly Hamrouni: "Great Prospects for Tunisian-Yugoslav Trade"]

[Text] A meeting of the Tunisian-Yugoslav Mixed Commission will take place at the beginning of 1986. In Belgrade the different parties concerned unanimously agree on the need to intensify trade with Yugoslavia's Tunisian partner.

Only a few months before the holding of a session of the Tunisian-Yugoslav Mixed Commission in Belgrade, the authorities and the boards of directors of large companies in Yugoslavia have already begun their preparations for this meeting. The federal political authorities, as well as various company directors, have expressed satisfaction regarding existing relations between Tunisia and Yugoslavia.

They consider that "the framework of cooperation between the two countries should be broadened and strengthened on the basis of trade, making it possible for the two partners to avoid the loss of foreign exchange which imports generally involve. This international trade market," they say, "is determined by the self-centered policies of the highly industrialized countries which follow a policy of protectionist measures of all kinds toward the economies of the developing countries." This reality in the international situation has led Yugoslavia to believe strongly in the more and more urgent need to improve trade cooperation between countries of the South, based on the principal of equality, in order to overcome the obstacles posed by the wealthy countries. Such a policy "will make it possible for our still fragile economies to avoid damage resulting from international monetary fluctuations which control and determine international trade."

Therefore, trade with the developing countries is not due to chance. Rather, it reflects economic necessity which is essentially aimed at halting the deterioration in the terms of trade, by developing the principle of complementary trade with those countries.

Bekto Taieb (deputy director for North Africa and the Middle East in the Yugoslav Ministry of Foreign Affairs) has stated: "For a long time relations between Yugoslavia and Tunisia have been very good. We have always had excellent relations with Tunisia since the beginning of the Tunisian nationalist movement for the liberation of the country and up to the present. Our expression of support and solidarity with Tunisia after the Israeli raid against the General Headquarters of the Palestine Liberation Organization is evidence of this," he emphasized.

Speaking of trade between the two countries, the deputy director emphasized the possibility of expanding economic cooperation, explaining that "the stagnation which was recorded in 1984 was temporary in nature, because there is no shortage of realistic proposals for trade between the two countries. There is a wide variety of Tunisian exports possible, and we think that they can increase in volume."

In this connection phosphate constitutes 41 percent of the overall value of Yugoslav imports from Tunisia, while olive oil accounts for 25 percent. Yugoslavia also imports phosphoric acid, zinc concentrates, and salt from Tunisia.

On the Tunisian side 50 percent of the volume of imports from Yugoslavia consists of wood products, and agricultural tractors account for 33 percent.

Moreover, Bekto Taieb declared that Yugoslav companies have entered into several arrangements with the Tunisian SEPEX company. The turnover has risen to \$5 million. Another agreement has been reached with a large Yugoslav agricultural equipment company, valid for 3 years. It has an overall value of \$96 million.

At present, Bekto Taieb concluded, Yugoslav companies have opened a continuing dialogue with their Tunisian trading partners, which proves that the stagnation recorded in 1984 was simply a passing phenomenon. The Mixed Commission and the round table which will bring the two countries together will provide a new stimulus to Tunisian-Yugoslav economic relations.

For his part Jernej Jan, a member of the Federal Executive Council, recalled the ties which unite Tunisia to Yugoslavia. He said: "There are many points of contact between the two countries which operate within the framework of the non-aligned movement and which advocate peace in the Mediterranean basin. We are working with our Tunisian brothers for a lasting peace and for more rapid and more harmonious development in the framework of independence and non interference in the affairs of the other country."

Recalling existing trade between the two countries, Jernej Jan, while affirming the desire of his country to intensify trade with Tunisia, declared that Tunisia has an important role among Yugoslavia's trading partners. It has an important place, and we are convinced that the volume of trade is going to increase after the meeting of the mixed commission. This is because the

two countries have substantial needs which can be satisfied by straightforward trade.

The member of the Federal Executive Council underlined "the need to diversify trade, going beyond the products exchanged in the past." He also proposed seeking new areas of trade in industry, agriculture, the transfer of technology, and the establishment of mixed companies.

"Shipad" and UPI [Consolidated Agricultural Trade and Industry] are among the largest companies in Yugoslavia. They have had business contacts with our country for a long time.

Shipad is a major producer and exporter of wood and wood products. It exports to Tunisia lumber and wooden orange crates and imports Tunisian fruit (particularly oranges). This trade is valued at \$1.5 million in both directions. In exchange for lumber, it also imports Tunisian phosphate.

Atis Susic, director of special services for Shipad, has long emphasized the need to expand further the volume and range of products traded between the two countries.

The director of this very large company, which employs 80,000 workers, also sought to explain the importance of developing cooperation with Tunisian companies, on the basis of trading their respective products. Atif Susic proposed the participation by Shipad in the establishment of a mixed Tunisian and Yugoslav company. He said that this company could be set up in Tunisia and would be involved in processing wood imported from Yugoslavia in different sectors of activity, ranging from household furniture to decorations for the Tunisian hotel industry. Such a company would serve the two partners, Atif Susic explained. Not only would it make it possible to create new jobs, but it would also ease the problem of importing wood by Tunisia. Such an initiative would also make it possible for Shipad, on the one hand, to export its products and, on the other hand, to import other products needed by the Yugoslav economy.

Moreover, the director of Shipad continued, industrial cooperation can contribute to lowering costs and to fighting against inflation.

In the cooperative program which it hopes to undertake with its Tunisian partners Shipad is also proposing a reforestation program for Tunisia.

The UPI, another large Yugoslav company located in Bosnia Herzegovina, attaches great importance to trade with Tunisia.

Saradzic Zijad and Alija Pasic, two high officials of the board of directors of the company, emphasized the intimate relations which they have with Tunisian companies.

In effect, UPI has imported citrus fruit from Tunisia up to the present. For the past 2 years the company has expanded its field of activity and has imported other Tunisian products, including phosphates and chemical fertilizers.

UPI has concluded an agreement with the Tunisian company CEPEX, covering \$16 million in imports and an equal value in exports. This agreement is for 1 year and can be renewed.

During October 1985 UPI undertook a program for the exchange of fruit packaging materials, against Tunisian oranges. The value of this trade is \$1.3 million. There has also been a transaction worth \$2 million, consisting of Yugoslav white woods against Tunisian phosphate.

The UPI has also been involved in close cooperation with the "El Louhoum" company in the meat processing trade. The directors emphasize that this trade has been going on for 20 years. The cooperation has been expanded with the establishment of the "SICOY" company, a mixed Tunisian-Yugoslav enterprise located in the "El Louhoum" company. This mixed enterprise is engaged in the vacuum processing of beef and mutton.

Elsewhere, UPI has established contact with the GIAP citrus group in Tunisia. UPI states that "we are major importers of Tunisian citrus fruit. This fruit is much in demand in Yugoslavia. We are in second place, after France, taking 12 million tons annually of Tunisian citrus."

This company has also developed close relations with the "ICM" chemical company for the import of phosphates into Yugoslavia. Yugoslavia's needs in this area amount to 360,000 tons per year, worth about \$300 million.

Shortly before the meeting of the Tunisian-Yugoslav Mixed Commission new prospects are opening up for cooperation between the two countries. Tunisian and Yugoslav companies have laid the foundations for much more concrete and perceptible relations as part of a development policy serving the interest of the two countries.

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TUNISIA

CITRUS FRUIT MARKET IN EEC COUNTRIES

Tunis DIALOGUE in French 2 Dec 85 p 17

[Article: "One Month Before the Expansion of the Common Market"]

[Text] Tunisia reportedly exports each year to the European Economic Community 46,000 tons of olive oil, 23,000 tons of oranges, 4,000 hectoliters of wine in bottles, and 144,000 hectoliters of wine in bulk. The 10 members of the EEC, which will number 12, beginning on 1 January 1986, have agreed that this Tunisian quota will be maintained until 1990, at which time it will reportedly be reconsidered.

To know more about the decisions made in Brussels on 25 November 1985 by the foreign ministers of the 10 member countries of the EEC, it will be necessary to wait for the opening of negotiations between the community and Tunisia, which will be held toward the end of 1985.

Concern Dissipated?

However, we should keep in mind that the beginning of a solution is now appearing on the horizon. Spain and Portugal, the two new members of the community, have agreed to future arrangements for the export of Mediterranean agricultural products, at least for a period of 6 years.

Normally, there should no longer be any need for concern by the traditional Mediterranean trading partners of the EEC, at least in principle. However, in reality we note a certain gap between the intentions expressed on many occasions by the community to guarantee the sale of our agricultural exports and the rather narrow arrangements recently proposed in Brussels.

The program for the negotiations which reportedly will be concluded before the end of December 1985 has two aspects:

--The progressive elimination over a period of 6 years of customs duties on Mediterranean agricultural products, which are to be done away with at the same rate as the elimination of customs duties on Spanish and Portuguese agricultural products.

--After 1991, the reduction of the "minimum import price" on five products (fresh grapes, tangerines, oranges, lemons, and tomatoes), in case there is a decline in the export of these products by Mediterranean countries, by comparison with exports between 1980 and 1984.

Regarding wine, customs duties reportedly will also be reduced, and the EEC reportedly will encourage the import of wine in bottles, rather than wine in bulk, while guaranteeing a certain volume of trade.

#### The Advantages of a Concerted Approach

There, in rough outline, are the proposals adopted by the 10 members of the EEC. It is now a matter of waiting for the final negotiations scheduled for the end of December 1985.

On this occasion it is appropriate to emphasize that the Tunisian position on the subject of the expansion of the EEC has been clearly defined on numerous occasions.

Tunisia is in favor of the development of a concerted approach in conjunction with other Mediterranean countries and considered in April 1985 that more concrete and more specific measures should have been considered, particularly in terms of reducing the existing imbalance in the traditional trade between Tunisia and the EEC. It is also worth recalling that the political and economic fallout from the expansion of the EEC goes well beyond the borders of the community itself. This situation cannot leave Tunisia unaffected, particularly if we consider the long term and privileged relations which it has with Europe.

#### The Aide Memoire of June 1984

In our view the expansion of the community which will enter into effect in January 1986, should not broaden or aggravate the protectionist measures which have hampered traditional trade over the last few years. Moreover, Tunisia has continued to call on Europe to provide evidence of its new Mediterranean outlook and its ability to preserve the traditional and legitimate interests of the states associated with the EEC, particularly those of the Maghreb area, in the framework of community Mediterranean policy.

Let us recall in this regard that Tunisia presented to the European Commission and to the member countries of the EEC some 18 months ago (on 13 June 1984) an aide memoire in which it reiterated its concerns and set out the measures needed to protect its interests.



Tunisia was therefore prepared to support any initiative and to participate in the preparation of a "new Mediterranean policy for the enlarged community," provided it was based on the assurance that traditional trade between Tunisia and the community would be maintained and that a balanced policy would be followed toward the countries of the southern shore of the Mediterranean and in particular the countries of the Maghreb.

The expansion of the EEC, which will take effect in 1 month, should not, in our view, change the Mediterranean policy of Europe or lead to a policy of trade imbalance. On the contrary, the expansion of the EEC should normally be the occasion for rethinking and rebalancing the relations of Europe with the Maghreb region.

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BAHRAIN

# CHAMBER OF COMMERCE DISCUSSES ITS ROLE, ECONOMY

Manama AKHBAR AL-KHALIJ in Arabic 19, 22 Nov 85 p 8

[Articles by Usamah Mahran: "Heated Dialogue with Chamber of Commerce Officials"]

[19 Nov 85 p 7]

[Text] Several topics and economic issues were the subjects, of discussion at the press conference which the board of the Bahraini Chamber of Commerce and Industry held the day before yesterday. At this conference chamber officials confirmed that the economic stimulation committee had arrived at several conclusions, which are in the final drafting stage. They also emphasized that the chamber played a distinct role in urging the government to enact a law stopping the lease of commercial registers to foreigners. It also had a role in the enactment of the national industry protection law and a committee was formed to amend the chamber's law to keep up with economic developments in the country, the most important of which are the construction of the Bahrain-Saudi causeway, economic stagnation, and the implementation of economic agreements with GCC countries, in addition to the chamber's Arab connection through the Arab Chambers of Commerce Federation and its international connections via the joint Arab-foreign chambers. The officials announced and affirmed all this at the conference, but no one expected this encounter to turn into a confrontation between the chairman and the chamber's board members on the one hand and the representatives of the local press on the other.

Chamber officials reproached the press mainly for publicizing inaccurate reports and for falling into pitfalls, saying that it should avoid chamber studies, policies, and proposals.

On the other hand, the local press found several faults in the chamber and its recent practices. Among these faults were that the chamber closed all doors in the face of the press and that it imposed an information blackout prohibiting chamber officials from giving any statements to any journalist in the country save for the news the chamber wants published. Another criticism the press had was that the chamber withheld information about its meetings and the results of its periodic studies as though this information were an untouchable military secret or a war decision.

The two parties thus began this dialogue, moving from one issue to another and from one charge to another. But how did all the parties thereafter switch to a discussion of the dimensions of the current economic situation and the current trade activity? What results did the two parties reach as a result of this confrontation, which everyone affirmed could be used as an objective basis for a continuing positive dialogue between the press and the chamber of commerce, both now and in the future?

#### President's Speech

Chamber president Mr Qasim Ahmad Fakhru opened the conference with a speech thanking the press for the role it plays. He then touched on the tasks currently assigned the chamber and the role of the board members.

He said: "I consider this encounter a brotherly meeting between two institutions." He then underscored the chamber's role as a public institution performing responsibility toward society. The responsibility of the chamber's board members is embodied in being a voluntary service by a sector to which the board members belong, the commercial and industrial sector.

He said: "We hope to convey through the local press our visions and our accomplishments through this board in its current session."

He announced that the chamber's board in this session had drawn up a comprehensive work plan in view of the fact that the chamber is an elected public institution for the public good and that its decisions are advisory decisions. Furthermore, this work plan takes into account all developments which have taken or will take place in the economic arena, such as the imminent opening of the causeway, the slowdown in the economic sector, and the implementation of the economic agreement among the GCC countries. Mr Qasim Fakhru said in the same speech that the committee which the chamber formed to study the economic situation under the chairmanship of Mr Hasan Zayn al-'Abdin, first deputy to the chamber's president, had almost completed its comprehensive report, which will be submitted to the chamber's board and then to the competent authorities through the joint economic committee of the Ministry of Commerce and Agriculture and through the chamber under the chairmanship of his excellency the minister of commerce.

#### Journalistic Honesty and Economic Conditions

Thereafter, Mr Hasan Zayn al-'Abdin delivered a speech in which he said: "Out of our belief in the role the press can play, we hope that it will pursue accuracy, truth, and honesty in obtaining information and news. Journalists must obtain information from its main sources to avoid any confusion while discussing important questions relating to all groups. This is a point on which I wanted to focus from the start out of our belief in the role of the press and our conviction that the relationship between us and the press must be deep and lasting." After that, Mr al-'Abdin talked about the chamber's role, locally through the economic studies committee; on the Gulf level, through participation in the enforcement of the GCC economic agreement's provisions; and on the Arab and international levels through the

Arab Chambers of Commerce Federation and the joint Arab and foreign chambers. He said: "The chamber cannot afford at all to insulate itself from what goes on around it in the region or in other countries of the world because economic matters have become integrated, interrelated, and interlinked and can indeed influence the internal conditions of any country."

He emphasized that the Bahraini Chamber of Commerce and Industry initiated the study of the economic slowdown which every person in Bahrain has felt. He said the ad hoc committee which had been formed was winding up its findings, which the chamber's board was planning to debate through various official channels.

#### Recession, Not Stagnation

In the same vein, Mr Jasim Muhammad al-Saffar, second deputy to the chamber's president, emphasized that the press must be cautious and avoid exaggerations and false reporting on the premise that we are a small country where everyone knows everyone else, and when false news is published, the whole situation is distorted.

Mr al-Saffar then moved on to the economic situation, saying: "We cannot claim that the country's economy is deteriorating, but we can say that what we are going through is nothing but a recession in economic growth rates compared to the upswing in recent years. This of course requires a remedy, provided that we first get to the root of such a recession. I think that the chamber has done all it can to remedy this situation."

#### Two Points of View

As for Mr 'Ali Salih al-Salih, board member of the Bahraini Chamber of Commerce and Industry, he said: "It is very important to enable the press to obtain correct information, or at least to make it aware of the chamber's point of view on all issues under discussion. Actually, I do not believe that this meeting came too late, at least with regard to the new board, for this board is only 7 months old. I also do not believe that we have been too slow or too late in meeting with the press because there were two points of view.

"The first point is embodied in the need to give the press a plan of what we intend to do and the second says: Let us achieve something first, then present it to the press as genuine accomplishment by the new board.

"The fact is that for 7 months I have believed that there has been a qualitative shift in the chamber's plans, which I consider a strategic transformation it has achieved in this period. I say this on the premise that the chamber has realized many accomplishments in a short period of time, but the nature of economic studies is always marked by slowness and a tendency to overanalyze. That is why I laud the chamber's new leaders who have faced difficult choices, in addition to the fact that they have been in office only a short time, that the current economic situation in Bahrain and the region has begun to undergo new changes and dimensions, and

that the unified economic agreement among GCC countries has entered new phases of implementation. Add to that, or course, the construction of the Bahraini-Saudi causeway.

"The fact is that all these challenges are tantamount to changes which require new ways for dealing with them."

Mr 'Ali al-Salih in his speech touched on the status of the Bahraini businessman who is always under indictment, "for if one businessman commits a mistake, all the businessmen are accused of greed and disregard for the national interest. Perhaps this impression is the result of the lack of full cooperation between the chamber and the press for I can affirm that it has been almost nonexistent. Nonetheless, I say that the chamber is not an institution for the defense of business interests at any cost. It is an institution whose primary role is to create a kind of balance between business interests and the consumer's interests in order that the chamber may be able to serve the people as a whole."

#### Very Special Situations

On another level, chamber board member Mr Hamad Ibil took the podium, saying: "I thank the local press for all it has offered the country in past years. We in the industrial sector believe that the press has supported this sector and has provided it with help, which has led to good results." Mr Ibil then moved on to the chamber's role represented in its study of the conditions Bahrain is experiencing, from the standpoint that these are considered as very special situations, such as the fall in the economic growth rates due to lower oil prices and a drop in oil revenues, something which has affected trade activity as a whole. On this basis, we, the board members, are trying through joint and ad hoc committees to study the current situation. I believe that all responsible institutions in the country ought to be fully aware of these prevailing circumstances and to deal with them wisely and knowledgeably.

"Herein comes the role of the press which, I hope, once again, is aware of the current circumstances and that it will deal with economic issues with a sense of responsibility, away from generalities and confusion, will be ethical in its dealings with institutions and individuals, and will avoid pitfalls."

In conclusion, 'Abd-al'Nabi al-Sha'lah, board member and chairman of the public relations and information committee, confirmed that the board affords great attention to cooperation with the press through the committees and the board as a whole, "for we want your cooperation and your support for the chamber's role and your understanding of the nature of its work. A difference of opinion does not mean behind-the-scenes fragmentation and vascillation. We view any difference of opinion as a healthy phenomenon. When we reconsider decisions we have adopted, this indicates the extent of the official's awareness."

Thus the board members of the Bahraini Chamber of Commerce and Industry had their say about current economic conditions, as did the local press. However, the minutes of the heated dialogue with the representatives of the local press will be presented in another article in which the reporters will have their say.

[22 Nov 85 p 5]

[Text] In the previous article about the press conference which the chairman and board members of the Bahraini Chamber of Commerce and Industry held, chamber officials, at the beginning and end of their speeches, focused on the role the press should be playing now more than at any other time in the past.

In the same article these officials touched on some important economic issues. However, contrary to what everyone expected, the discussion of money, business, development, and trade issues was the exception at this conference. Commenting about the press reporters was the rule. This was done either by giving advice, accusing the local press of publishing lies, or by charging its with dishonesty.

In this issue, we will, through this conference and without any intrusion on our part, try to present the minutes of the heated dialogue and the details of the confrontation between the representatives of the local press and the chamber of commerce officials.

Press: It is clear that this conference came as a reaction to recent press reports about the chamber's role and relationship with the various press media. In our daily dealings with chamber officials, we see that there is no true cooperation on the part of the officials with the press. We say this on the premise that we have not been told anything about the results of studies prepared by the chamber, such as the causeway study, the economic remedy study, and, perhaps, other studies.

Other signs of chamber non-cooperation with the press is the fact that while the chamber played an important role in the adoption of government decisions to stop leasing commercial registers to foreigners, no one knew about this role until these decisions had been made, although we were following chamber business every day.

Chamber President Ahmad Fakhru: First, I would like to point out that this conference was not held as a reaction to recent reports in the press, but rather as a result of incessant press reports, and not just recent ones.

The fact is, as I confirmed at the outset, this encounter had been scheduled. As AKHBAR AL-KHALIJ was well aware, in the wake of the chamber's executive elections and my election as president, we held a meeting with the brothers --in the presence of the president's first deputy and some office staff members--as we held several meetings with other newspapers and magazines in the country in which we explained what we hoped to offer the business community, especially since the chamber's work is ongoing and interconnected.

The new council did not start from zero but rather from where the old council left off. As for the study of the economic situation, there are studies which have not yet been completed. The causeway study, for example, was ratified only 3 weeks ago. We cannot present any study for pollution before all its aspects are completed. I say this based on the premise that these studies explain the chamber's position and, in light of this, we calmly discuss the given facts of these same studies to enable the authorities to make appropriate decisions and coordinate between what we discuss with our brothers in the Chamber of Commerce and what the government puts forth. There is a higher committee for the causeway and the subject was actually raised in recent meetings of the joint economic committee.

With regard to the economic situation study, as the brothers have already mentioned, it is still in the final drafting stage. Therefore, any study we give you would be incomplete. I admit to some failing, but take it easy with us. We are ready to tell you some things, but other things are not for publication at present. I know that you know much about a large number of issues, but you must choose the right time for publishing it because this would be in the interest of the studies themselves.

About leasing the commercial register to foreigners, this has been under discussion for more than 4 years and the chamber of commerce used to raise this subject. It raised it at the meetings of the joint economic committee with the Ministry of Commerce, and we were the first ones to call for this matter because chamber members became aware of the foreign competition our people had to face as a result of such a practice.

We did in fact submit our proposals to the officials with the end result which you are not witnessing.

Also, we were the first to call for the enactment of a law to protect national industry in response to a sincere wish by the chamber's industrial members.

The truth is that all the country's officials have cooperated with us in response to the instructions of his royal highness the amir, his highness the prime minister, and his highness the crown prince.

#### Studies Not for Publication

Hamad Ibil: Regarding the reporters' request to publish the studies, AKHBAR A:-KHALIJ's request specifically, I would like to say that these studies are not for publication. These studies are prepared to propose certain policies related to specific issues. These proposals are submitted to competent authorities for debate and adoption. Such studies are useless if published before achieving the ultimate goal embodied in such decisions as stopping the lease of commercial registers to foreigners, enacting a national industry protection law, and dealing with economic stagnation. However, if these studies are leaked for publication in the press before reaching this level, they become worthless. We do not prepare studies for study alone. The main objective of these studies is to remedy certain situations and find

ways to overcome some problems, especially since the Chamber of Commerce cannot deal with some situations by itself but suggests that such studies be referred to the responsible authorities for implementation. However, all these perils notwithstanding, the conclusions of these studies at certain stages may be published, but as for their recommendations and policies, their publication undermines the goal for which they were originally prepared.

Press: We do not know what role the press is expected to play. Hence, if the Chamber of Commerce board meetings have become secret and the studies they produce are not for publication, why do you not include the press, as the party that reflects the people's opinions, in debates about these studies, even in their preliminary form, especially since the studies you prepare go directly to the officials without passing by the commercial community, by the people, and by the employees? Why does the chamber lack this sort of interaction?

Hamad Ibil, chamber board member and chairman of the economic studies committee: I mean the studies, not the issues. I agree with you that the press should discuss issues under consideration and should discuss economic stagnation, but it must not discuss policies proposed by these studies.

Press: By this you are placing barriers between the commercial community and the chamber.

Hamad Ibil: The community should debate issues, not studies, and the press should debate issues only, not studies. It is not the reporters' job to discuss the studies or policies we prepare.

Press: Then how can we work in this kind of climate? It is known that one of the press's strategic tasks is to discuss policies and proposals submitted on any study by any economic side. You cannot tell us what to discuss and what to leave alone. We are well aware of our responsibilities. We know what to publish and what not to publish. We know when and how to publish these studies. But in all cases, the people must take part in making and implementing all the policies proposed by the aforementioned studies, particularly since the responsibility here does not fall on the chamber alone or on the side responsible for implementation. The people must participate in studies because the implementation of policies proposed by the chamber will above all reflect on these people!

'Abd-al-Nabi al-Sha'lah, chamber board member and chairman of the public relations and information committee: The fact is that if we referred to all the files, we would find that we have not withheld any studies from the press. There are only two studies in which you have been interested; the causeway study and the economic situation study. A look at the latter reveals that it is still in the preparation and revision stage. As for the other study about the causeway's effects, we believe that the public interest compels us to withhold publication of such data for the time being. We are confident of your cooperation and understanding in this matter, particularly since the causeway study has been prepared for two reasons:



First, it is not for publication.

Second, it is considered as a reference which can be of great help to us in later stages of the debate, be it through the joint economic committee with the Ministry of Commerce, or through the joint committee with the Chamber of Commerce and Industry for the eastern region. At this stage, I believe that if these studies are left within these frameworks and these circles, they can be of greater service to the community. And while this is our goal, it is yours too.

'Ali Salih al-Salih, chamber board member: We talked at the beginning about the freedom and role of the press. I think that secrecy is the exception and the rule is to give the press all the information it wants. However, certain topics are hurt by publicity. Herein lies the press' responsibility to know what and what not to publish. Many studies, even the ones AKHBAR AL-KHALIJ has requested and talked about in this dialogue, have fallen into its hands.

Press: Nonetheless, we have not published them because we are well aware of our responsibilities.

'Ali al-Salih: Therefore, we should cooperate with the press and must be its source of information. We should cooperate with reporters and discuss with them some sensitive subjects. I believe certain subjects require secrecy, and publication may be right at a certain time and wrong at another time.

'Abd-al-Nabi al-Sha'lah: From now on, the public relations and information apparatus, in cooperation with the board's secretariat, will provide you with all the information you want at any time.

Press: We would like to know the reasons why chamber administrative staff members Mr 'Abd-al-Rahim Hasan Naqi and Mr 'Abd-al-Hadi Marhum were punished?

Qasim Ahmad Fakhru: The Chamber of Commerce is a public institution responsible to a certain sector in this country. The chamber's board has set down some rules and regulations in accordance with bylaws and administrative regulations. We at the Chamber of Commerce, like any other government or private institution, large or small, have specific prerequisites, particularly with regard to doing business with us. The board sees that certain reports have been leaked to the press, in addition to the fact that it found the two members out of line in their statements about board or administrative staff members. We, as people in authority in this institution, have the right to look at this indiscretion. We did in fact form a two-member board committee to look into this matter and discuss it with others. We made our decisions on the basis that the leaked technical committee report about upgrading the chamber's administrative apparatus had been distributed to some board members, in addition to some members of the chamber staff. Following the investigation, and because the chamber's board cooperated fully in that it was firm without disregarding the human factor or the consistently serious work of these two members, we made our decision to transfer them. The first member

was acting public affairs director and the board felt that public relations should have a full-time officer. The other was transferred to another chamber position. They are now performing their duties excellently. I emphasize that they were cooperative and admitted their indiscretion. They sent a letter of apology to us, and I do not imagine that anyone who sends such a letter is not admitting wrongdoing. We consider brother 'Abd-al-Rahim and brother 'Abd-al-Hadi as our brothers and indeed as our sons. We are very proud of them and greatly appreciate their efforts.

#### The "Sale" and Its Woes

Press: It has been rumored recently that the chamber is in the process of setting up special-price weeks for some commodity sectors in Bahrain. It has also been announced that there is a trend toward reexamining the general reduction system as a whole. What has happened concerning this confused "sale"?

Qasim Ahmad Fakhur: Many years ago, sales used to be held at irregular times and the merchants asked that they be regularized. General reduction sales were scheduled for once a year, then twice a year. Thereafter, the whole system was reexamined and sales were again scheduled for once a year following an expanded meeting attended by representatives of all the commodity sectors in the country last December 1984. As you know, some asked that the "sale" be cancelled altogether because discipline was lacking and the "sale" was in name only. As is also known, there is a joint committee between the chamber and the Ministry of Commerce and both sides are working together in mutual cooperation. Hence, permission to hold a reduction week came from an official body, the Ministry of Commerce, in cooperation with the chamber. We discussed this matter through this committee and decided to have a sale once a year. Thereafter, shoe and garment merchants asked for exemptions because they carried seasonal items. We decided to undertake a study in the chamber which will be submitted to the board upon completion. We will thereafter submit it to the Ministry of Commerce through the joint economic committee in order to exempt these of other merchants to allow them to hold a special reduction week once a year to move their seasonal items. I emphasize that this study has not been decided upon. There was some confusion, however, because there is one organizational committee organizing the sale process, but it is not empowered to make decisions. The side empowered to make such decisions is the joint economic committee of the Ministry of Commerce and the chamber, especially since the Ministry of Commerce believes that if the need for special prices does exist, all sectors must be included, for this system must not be a monopoly of the shoe and garment merchants. This entire question will be referred to the joint economic committee.

#### Training and Chamber Resources

Press: We heard that the chamber has taken an interest in training and upgrading the administrative apparatus. What has been done in this field?

Jasim al-Shatti, chamber director general: Right now we have a timetable in mind whereby the chamber's personnel may be trained.

Jasim Muhammad Fakhru, management and budget committee member: As Mr al-Shatti stated, we do in fact have a training program in mind. This matter, however, depends on the time when this program can be carried out. We in the chamber, in less than 6 or 7 months, have been able to identify our needs for cadres and managers in light of which we have decided to send employees abroad for training or to hold training courses at the chamber by bringing in qualified people to give lectures or hold seminars.

'Ali Salih: The matter of training has not escaped us. The report published in AKHBAR AL-KHALIJ explained the extent of the chamber's interest in job training and in upgrading the administrative apparatus at the highest levels, be it through local committees within the chamber or through foreign expertise. But training costs money and the chamber, although it is called a chamber of commerce, is poor in resources. This is a fact of which not many people are aware.

The fact is that the chamber has recently begun to feel somewhat pleased with the current situation after paying off the bank loan which was borrowed to build the chamber's building. Thus, there is a chance now for training cadres either by sending them abroad or conducting various studies. I think that as the chamber's financial situation changes, the picture will also change, God willing.

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BAHRAIN

COMMERCE GROUP SEEKS BAHRAINIZATION OF FOREIGN BANKS

Manama AKHBAR AL-KHALIJ in Arabic 19 Nov 85 pp 1, 10

[Article: "Chamber of Commerce Studies Demands of Bahrainization of Foreign Commercial Banks"]

[Text] Board chairman of the Bahraini Chamber of Commerce and Industry, Mr Qasim Ahmad Fakhru, disclosed at the press conference held 2 days ago between members of the board of the Chamber of Commerce and representatives of the press the existence of a chamber study about the "naturalization" of foreign commercial banks operating in Bahrain. This follows the example of Saudi Arabia, Kuwait, and other neighboring countries whereby 51 percent of these banks' capital would be Bahraini-owned and the remaining 49 percent foreign-owned.

Mr Qasim Fakhru confirmed that the Bahraini Chamber of Commerce and Industry had prepared a memorandum in this regard which it submitted to some responsible sides, preparatory to presenting it to the country's highest levels for debate and adoption of appropriate resolutions.

The Bahraini Monetary Organization had denied the existence of a plan to "naturalize" foreign commercial banks operating in the country.

On the other hand, AKHBAR AL-KHALIJ has learned that discussions were underway between Bahraini Monetary Organization officials and offshore bank officials in Bahrain to draw up a work plan in light of existing circumstances.

It had been rumored that the monetary organization asked some small banks in Bahrain to undertake a merger to raise their capital and to draw up a joint work plan.

It is noteworthy that a ministerial committee, composed of officials in the Finance Ministry and the Bahraini Monetary Organization, is in the process of drawing up a new strategy for banking activity in Bahrain as part of a comprehensive economic strategy.

Moreover, the Bahraini Chamber of Commerce and Industry is currently putting the finishing touches on a study it has prepared about ways to stimulate the economy, including the commercial and offshore banking sector.

BAHRAIN

BUSINESS LEADER LOOKS AT FUTURE OF ECONOMY

Manama AL-ADWA' in Arabic 23 Nov 85 p 7

[Article by Sami Kamal: "Will the Economic Situation Undergo a New Recovery? Banks, Hotels, and Other Services Pin Hopes on Causeway Opening"]

[Text] Will economic conditions undergo another recovery in the area? This is a question on the minds of many people in view of continued economic stagnation and recession in the Gulf countries, including Bahrain recently.

The Bahrain Chamber of Commerce and Industry on its part formed a committee to stimulate the economic and trade situation in Bahrain. This committee has undertaken a study of present conditions to prescribe remedies and push the economic and business sector toward recovery.

Features of Recession

Mr 'Abd-al-Nabi al-Sha'lah, well-known businessman, board member of the Bahraini Chamber of Commerce and Industry, and chairman of its public relations committee, has contributed to the committee's activities through his responsibility of studying the situation of the service sector in Bahrain.

AL-ADWA' interviewed him in order to explore the features and manifestations of the economic recession in this sector as well as future prospects for economic recovery and the effect of the Bahraini-Saudi causeway on recovery in Bahrain.

To start with, Mr 'Abd-al-Nabi al-Sha'lah said that the economic sectors are interconnected and, therefore, each one is influenced by the other. The service sector is broad and diverse for it includes the hotel sector, the banking sector, and the consulting service sector in addition to support services.

Undoubtedly, said Mr Al-Sha'lah, the hotel sector is suffering an economic recession, the most important manifestation of which is a drop in the number of foreign businessmen visiting Bahrain, in addition to the fact that the country lacks tourist status and therefore the number of tourists is almost nil save for a considerable number of brothers who come from some neighboring Gulf countries.

## Encouraging Indicators

He also said that an encouraging indicator is that available statistics show that Saudi visitors constitute 28-30 percent of the total number of people visiting Bahrain and that they occupy 18-20 percent of the hotel rooms. This percentage includes Saudi citizens and other Saudi Arabian residents coming to Bahrain.

Another sign of economic recession in the hotel sector, according to 'Abd-al-Nabi al-Sha'lah, is that the hotel reservation rate is between 60 and 65 percent, besides a drop in the use of other hotel facilities such as halls and restaurants compared to the period when the number of banks and commercial institutions in Bahrain increased.

He also said that hotel sector employees attach importance to the completion of the causeway, in the hope that hotel reservations will pick up considerably. Furthermore, many are pinning their hopes on the promotion of tourism and enterprises among GCC countries and are looking to expanded activity in setting up fairs and seminars, the kind of activity which draws a large number of visitors to Bahrain.

## Drop in Remittances

As for the banking sector, Mr Al-Sha'lah said that the recession had an effect on this sector, which is natural because a drop in commercial activity is followed by a drop in services the sector offers the business sector. A drop in the size of remittances abroad has been noted due to a drop in foreign labor. It is well known that "offshore" banking units are going through a period of rationalization and reexamination of their business practices which means a drop in their contribution to the GNP as a result of cost reductions to rationalize spending.

'Abd-al-Nabi al-Sha'lah said: "Many areas in the consulting service sector have undergone some recovery despite the economic recession, for in these circumstances there is a need for rationalizing spending and improving performance. Therefore, many sides are turning to consulting services more than they normally do in cases of economic boom. For example, there is a boom in promotional activities such as advertising services. It is well known that in an economic recession, sellers compete to attract consumers whose purchasing power drops in these circumstances and who become more careful and selective in their consumption patterns."

## Advertising Prevails

He said: "This phenomenon is manifested in the spending or appropriations large corporations earmark for advertising in the region where companies compete for consumers through high-quality and cost-effective products, considerations consumers overlook in an economic boom due to stronger consumption and purchasing power.

"I believe that sectors such as law, accounting, auditing, and other management services flourish in times of economic recession due to a greater interest in and need for more organization and administrative efficiency to make the best possible use of corporate capabilities."

Mr Al-Sha'lah said: "The contracting and construction sector, in my opinion, falls within the service sector, which is suffering from the economic stagnation. This is natural, particularly since this sector depends to a large extent on government spending on construction and development projects. Due to a drop in revenues because of lower oil prices and exports, the government is spending less on construction projects."

"As for the real estate sector, it is suffering from the prevailing situation where a number of factors have come together, including lower demand and higher supply of rental properties which in turn have led to a 50-60 percent reduction in rental fees. It is noted that real estate rental agencies are beginning to change. They are encouraging people to move by offering lower prices and better quality. This is the only way they can survive in business."

Mr 'Abd-al-Nabi al-Sha'lah added: "Viewed from a purely administrative point of view, this is a healthy and desirable phenomenon. Lower rents mean a return to reasonable rates compared to the inflated prices which prevailed in the past. They also mean greater landlord interest in upgrading their properties to attract tenants and better performance by real estate rental agencies in order to compete and survive."

#### New Recovery

About expectations for an economic recovery in the near future, "Abd-al-Nabi al-Sha'lah said: "It is difficult to give a positive answer about economic recovery expectations because the factors influencing the prevailing situation are many and complex, in the forefront of which is the possibility of better conditions in the oil market. Experts in this field emphasize that the demand for oil will increase by the end of this decade and, therefore, oil prices will rise. Another influencing factor is the Iraq-Iran war which has created a climate of instability in the region as a whole. In order to restore stability, the war must be ended."

He added: "If these two goals can be achieved, all indicators no doubt will point to another economic recovery, although I do not think that the area will experience in the foreseeable future anything similar to the economic boom of the seventies."

Mr 'Abd-al-Nabi al-Sha'lah confirmed the existence of another tendency, which suggests an economic trend toward recovery. It is a tendency by Gulf countries toward production projects following the completion of most of the infrastructure projects which consumed all of the governments' attention in the last decade. The same thing goes for private sector business activity which has started to slump. In this situation, the natural trend is toward industrialization and production activities which, by their nature, lead to possible results and more expansion in all economic activities than those that depend on consumption alone."

## No Cause for Alarm

Mr 'Abd-al-Nabi al-Sha'lah talked about the effects of the Bahraini-Saudi causeway on the economic situation in Bahrain and a possible market boom:

"To begin with, I think there is no cause for alarm about the causeway having a negative effect on commercial and economic activity in the country. We must focus here on the fact that such a momentous event will create a new reality in commercial life and activity in Bahrain which require Bahraini businessmen to deal with this new reality. The ones who will be affected negatively by this event are those who will not be able to deal with the changing reality."

He emphasized that competent officials are giving this matter much attention whereby this reality can be changed gradually to allow all sectors to deal with it easily.

## Market and Causeway

He said: "There is no doubt that the causeway will expand the market and the current purchasing power, something that will allow us to overcome the tightness of the local market, which has restricted business expansion and growth."

He added: Any result brought about by the causeway will totally depend on the rules and regulations regulating its traffic. All these matters are under serious and extensive discussion by competent officials."

He also said: "It is clear that a sector such as the communications and transportation one will undergo considerable expansion as a result of an expected greater role for Bahrain in the tourist trade to Saudi Arabia. The same thing goes for the transport of individuals whose movement between Bahrain and Saudi Arabia will be enhanced by the causeway."

## Open the Doors

He pointed out that if the door of trade is opened wide to the citizens of both countries, Bahraini businessmen will have the capability to expand and enter a market 10 times as big as their own. Furthermore, this will expose businessmen to a kind of challenge and competition from the other side.

He also said that, with regard to the industry sector, it is known that the Bahraini investor has turned to two traditional fields, the business and service fields, not because he is short-sighted but because he is dealing with a local market that does not encourage industrialization due to its limitations. But in the wake of our organic link to the Saudi market, these apprehensions will have a lesser effect, even though local industry will face strong competition from similar Saudi industries because these industries receive much more support and more incentives than the local ones.



In the field of tourism, Mr Al-Sha'lah said that the number of Saudi visitors is expected to increase following the opening of the causeway, something that will reflect on the service establishments such as hotels and transportation, and even banking organizations will offer more tourist-related banking services.

At the conclusion of his talk, Mr 'Abd-al-Nabi al-Sha'lah said that the causeway's opening will provide the local labor market with other unlimited outlets, particularly in the area of massive industrial facilities which have been set up in the eastern part of Saudi Arabia.

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BAHRAIN

## CHAMBER OF COMMERCE DEMANDS FOREIGN CONTRACTOR RESTRICTIONS

Manama AKHBAR AL-KHALIJ in Arabic 25 Nov 85 pp 1, 12

[Article by Usamah Mihran: "Chamber of Commerce Demands Ban on Awarding Foreign Contracts That Bahrainis Can Undertake"]

[Text] The Bahraini Chamber of Commerce and Industry has demanded that the number of projects awarded foreign contractors be restricted; that large projects be appraised according to the type of construction work; that the size of the initial guarantee currently in effect be reduced; that payment of contractor claims be expedited; and that the amounts of the letters of guarantee that local contractors have to assume be reduced.

The Chamber of Commerce, in a working paper to be submitted to the expanded meeting of local contractors, which is scheduled to be held in the chamber's building the day after tomorrow, Wednesday, also demanded that workers who run away from local contracting companies be punished and that the present law providing for the imprisonment of employers who hire runaways be implemented. The Chamber of Commerce demanded in the same working paper that the situation of the country's contractors be discussed and advertising fees be reexamined and reduced. It also asked the Ministry of Labor and other competent ministries to stipulate in the building license that the contractor be a Bahraini citizen, particularly with regard to projects which are within the ability of such contractors to carry out.

The chamber also asked that the number of projects foreign contractors are allowed to join be limited and that the Bahraini partner be directly responsible for all actions, responsibilities, and obligations with regard to joint companies and that such companies not be allowed to foreign contractors be given to local contractors.

The chamber's working paper also demanded that large projects be broken up according to the type of construction work each project requires so as to give several contractors a chance to participate in the project.

It pointed to the necessity to reduce the rate of the initial guarantee in effect now, to reexamine fines, and to make sure contractors receive advance payments for projects they carry out for the government in exchange for a bank guarantee, in addition to facilitating the procedure of bringing in foreign labor and creating a special system for transferring employment cards.

BAHRAIN

EFFECTS OF BAHRAIN-SAUDI CAUSEWAY SCRUTINIZED

London AL-HAWADITH in Arabic 13 Dec 85 pp 58-59

[Article: "Bahrain-Saudi Causeway and Trade Apprehensions"]

[Text] A final decision has been reached to complete the first contract for constructing the Bahrain-Saudi causeway by the 20th of next January. Shaykh Ibrahim al-Khalifah, the causeway project coordinator, confirmed that the major part of the causeway from the Sadui coast to Bahrain's west coast has been paved with asphalt and 90 percent of the safety railing has been installed. Work is underway to make simple adjustments, after which the railing will be completely finished.

On the other hand, Qasim Ahmad Fakhru, chairman of the board of the Bahraini Chamber of Commerce and Industry, announced that the joint committee of the Bahraini Chamber of Commerce and Industry and the Saudi eastern region's Chamber of Commerce, which includes the chairmen of both chambers and five members from each chamber, will meet in Bahrain on 28-29 December to discuss the possible effects of the causeway, which links Bahrain to Saudi Arabia, and to draw up a program for private-sector activity.

He explained that this committee will be tantamount to a permanent committee because the causeway will generate a continual flow of data. He said: "The chamber's board of directors recently adopted the study prepared for the chamber's study and research section about the causeway's mutual effects. Executive steps have been taken to discuss such effects at the state level. The study focused on ways to protect trade in Bahrain and on its possible influence on the Bahraini people as a whole and not only on the trade sector."

Most Bahraini businessmen, according to a poll recently taken by the Chamber of Commerce and Industry, agreed that trade activity in Bahrain will increase following the opening of the Bahrain-Saudi causeway and that it is very possible that prices of goods and commodities will drop on the Bahrain market.

The study the chamber prepared about the causeway's effects disclosed that some businessmen asked for permission to open branch offices in Saudi Arabia and to reach an agreement with the Saudi Government to allow Bahraini

businessmen to open letters of credit to import goods directly from Saudi ports, besides facilitating transit procedures in Bahrain port, lowering the costs of this service, and promoting the commission trade after the causeway is completed on the part of the government and the banks.

The businessmen also demanded that import and export legislation, as well as government fees, be standardized and that customs duties on imported goods be canceled or drastically lowered.

They also asked that people who are not in business not be allowed to bring in goods when they enter Bahrain, to ban the import of goods by unauthorized agents, to require companies and agencies in Bahrain to buy from the local market, and to lower storage fees at Bahrain port.

Most businessmen expressed their desire to set up a tax-free market close to the causeway and most of them agreed to be agents or distributors for Saudi importers.

The Chamber of Commerce and Industry's poll revealed that over 50 percent of the businessmen are apprehensive about the possibility of the causeway generating competition for them. Poll figures confirmed that 58 percent of the Bahraini businessmen feel that Saudi competition will be too stiff to withstand, while 96 percent expressed the view that Saudi markets will draw a large part of the Bahraini purchasing power.

At the level of detail, the poll results showed that the causeway will put out of work 500 maritime transport employees working between Bahrain and Damam and may lead to fewer flights between Bahrain and Charan airports. On the other hand, it will lead to a more extensive use of Salman port in Bahrain, considering that it is a transit port, particularly with regard to exports to Saudi Arabia.

The Bahraini apprehension about Saudi trade competition is due to the many advantages Saudi businessmen enjoy, the most important of which are low customs duties, wholesale discounts, and government subsidies for a large number of commodities. Such apprehensions have prompted 67.7 percent of the Bahraini businessmen polled to demand the imposition of customs duties on imported goods when they are moved between the two countries, considering that the adoption of this proposal will protect Bahraini businessmen from the flow of Saudi merchandise into Bahrain and will protect the Bahraini economy. On the other hand, the poll revealed that 47 percent of Bahraini businessmen believe that their trade with Saudi Arabia will increase after the causeway's opening due to the large Saudi market and the larger number of Saudi visitors to Bahrain; add to that the ease of obtaining some commodities over land and the possible increase in the transit business. Bahraini businessmen emphasize, however, that for this matter to become a reality, customs duties on imported goods in both countries, transit fees imposed by each country must be standardized and trade laws in Bahrain, and the kingdom must be unified.

But the consideration which Bahrainis agree will be in Bahrain's favor is the movement of individuals between the two countries across the new causeway.

On this level, Bahrain's population does not compare with the Saudi population, which means that more people will be going from Saudi Arabia to Bahrain. And whereas GCC laws allow Saudi citizens to own houses in Bahrain, Bahraini home and real estate owners expect a big real estate boom on the island.

On the other hand, Bahrain is expecting more foreign workers in Saudi Arabia to make regular and periodic visits to the island for weekend or annual vacations to enjoy the Western lifestyle there.

These causeway considerations make the Bahraini citizen enthusiastic about facilitating vehicle and human traffic procedures as much as possible and to make it, as Shaykh Ibrahim Ibn 'Abdallah al-Khalifah put it, orderly on the Bahraini side of the causeway, to make it a "bridge of love, cooperation, and welfare for both countries as well as the GCC countries, the Islamic and Arab world, and the international community."

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## BAHRAIN

## BRIEFS

CIVIL DEFENSE IMPROVEMENT--The cabinet in last evening's session also discussed the development of the fire department and the expansion of its jurisdiction to include, besides firefighting operations, services in the field of civil defense rescue operations in emergency situations, such as building collapses, hurricanes, and other natural disasters. The cabinet approved the conversion of a fire section into a department and entrusted the Interior Ministry with taking steps to develop this vital service and to provide it with all the equipment and cadres necessary for the execution of these new tasks. [Excerpts] [Manama AKHBAR AL-KHALIJ in Arabic 11 Nov 85 pp 1, 10] 12502/6662

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ISRAEL

MK 'EZER WEIZMANN'S POLITICAL VIEWS PROFILED

Tel Aviv YEDI'OT AHARONOT in Hebrew 18 Oct 85 Weekend Supplement p 5

[Text] 'Ezer Weizmann is one of the most colorful figures in the Israeli political arena. His personality is in total contrast to the image of the everyday politician--former Air Force commander, with a sharp tongue, candid. Some see him as cute and mischievous, as Begin described him, a person with a lot of charisma, but certainly not a serious politician. Some say that Weizmann has a clear and realistic political mind. In any event, no one doubts the sincerity of the nephew of Israel's first president.

Weizmann, who is serving as minister without portfolio in the office of the prime minister, is today in the ranks of the opposition as far as Peres goes. Both of them, Peres and Weizmann, try hard not to let the sharp differences between them leak. But a private meeting between the two of them, prior to Peres' trip to the United States, was certainly not too pleasant for Peres.

The Begin Syndrome

In public Weizmann tries not to stretch things too far. But he does not hide his inner struggle. "Within 2 months I should know what I am planning to do and where I stand," he keeps repeating. He set himself the date of 1 January 86 as his target date.

What will happen then?

"Leave me alone," he answers.

What is bothering 'Ezer?

It can be concluded from what he has been saying recently that he is afraid that his friend Peres is developing a "Begin Syndrome," politically speaking.

When he left the Defense Ministry during the Begin administration he accused Begin of "not properly taking advantage of the peace initiative which he himself oversaw, in order to overturn the political situation which has been accompanying Israel like a dark shadow ever since its establishment."

Weizmann had a lot of hope that Peres would give some impetus to the peace initiative "which was frozen by Begin, thus missing a rare opportunity." Is Weizmann likely to leave the Peres government, too, and accuse Peres in a similar fashion?

Those who are privy to Weizmann's thoughts hear a pessimistic forecast, very pessimistic. He is afraid that another war is imminent. Israel will have to fight Syria, Jordan and Iraq, and also--yes, also--Egypt. He expects about 10,000 tanks to take part in the war and 1,000 fighter planes. The war, as the former personnel commander predicts, will be more bitter than any of its predecessors, and when it is all over, Israel will be exactly where it started.

Who is going to be blamed? Weizmann does not spare his criticism of Egypt, Jordan, and the Palestinians. But, he stresses, Israel is not lily white either. He talks of Begin's five sins, and Peres' sixth. Begin's sins are: the suspension of the autonomy talks after signing the Camp David accords, the annexation of the Golan Heights, the bombing of the Iraqi nuclear reactor, the Jerusalem Law, and the Lebanese War. Peres added one more sin--the bombing in Tunisia. According to Weizmann there was no debate on the political repercussions of such a raid.

To be quite fair, Weizmann does not suggest a total capitulation to terror. But, according to him, the struggle against terrorism should employ more sophisticated methods. The reaction in Tunisia, as far as he is concerned, is tantamount to killing a fly with a 50 lb hammer, whereas it can be caught in a much more sophisticated and efficient manner.

What angers Weizmann most is what he considers to be an attempt to suspend the peace process, while raising the issue of terrorism. Terrorism, after all, tries to destroy this process, he maintains. Therefore political efforts should only be intensified in view of terrorism.

#### The Eternal Adversaries

Avraham Tamir, director general of the prime minister's office, a central figure in Weizmann's Yahad movement and a personal friend, claimed recently: "The United States has proven that it, too, works to destroy terrorism. But the American concept is that a political process has to be developed, which will overcome the escalation of violence that the terrorists would have.

The political-defensive line--as far as the Labor Party is concerned--is the responsibility of the prime minister and the defense minister. There is a school which maintains that the bombing in Tunisia relieve the hawks' pressure on Peres and Rabin. They have always demanded hitting the terrorists hard. Now Peres and Rabin can continue with the political process. There is some satisfaction within the Labor Party that Peres and Rabin, the traditional arch enemies, are now cooperating.

Weizmann, on the other hand, does not trust Rabin, and their relationship is cool. Rabin is the one who proposed to the inner cabinet the bombing of the PLO headquarters in Tunisia and preferred it to other options that were



proposed. Peres supported Rabin, which only served to increase Weizmann's suspicion that Peres will be swept away by Rabin.

Weizmann's candid pronouncements against the bombing in Tunisia--although he knew they would not increase his popularity--increased respect and sympathy for him among the dovish members of the Labor Party. Even before that there were rumors that he ought to be offered the leadership of that camp. MK Aharon Har'el, one of the doves' leaders within the Labor Party, disclosed this fact a few days ago. According to him some noncommittal talks had already been held.

"No one talked to me about it," says Weizmann. He, personally is angry that the title "dove" was attached to him. Recently he argued as follows: "Peres and Rabin, who come from the labor movement, are like Likud people, while I, who came from Likud, am today representing the historical MAPAI, the same MAPAI that along with defensive activism also tried to explore other ways. He prefers the title "The Peace Hawk."

#### The Red Flag

MK Hayim Rimon, the youngest Labor Party MK and one of the leaders of the Central Ideological Club, to which most of the doves belong, talks very warmly about Weizmann. He confirmed that, informally, Weizmann can be considered the chief spokesman of the dovish camp. True, he is not their leader in the common sense of the word, he is not involved in administration and does not appear in rallies, but Weizmann has the most senior position in the decision making process of the Labor Party, given that his opinions are closest to those of the party's doves. At the same time Weizmann is not even a Labor Party member. He heads Yahad, which is now in the midst of very complicated negotiations on how it is to be absorbed within the party.

The camp's members number Abba Eban, Ora Namir, Rabbi Menahem Hakohen, Aharon Har'el, Nava Arad, Shevah Weiss, David Liba'i, Hayim Rimon and 'Abd-al-Wahab Darusha. It is commonly assumed that 'Uzi Bar'am (general secretary of the party) and 'Adi Amora'i (deputy finance minister) share views with this camp, although, because of their positions, they cannot be active members in it.

The Ideological Club is expected to renew its regular activities within a few days. Its members will examine, among others, whether the government's political activities are in line with the party's platform. Says MK Ora Namir: "All we want is that there will not be any movement further to the right than what is written in the platform."

Namir and other doves have not voiced any public opposition to the Tunisia bombing. But they say that "we cannot lose our sanity." Israel has to examine the benefit of reactions which do not resolve anything, but contribute to the escalation of terrorism, and may even bring about a war. In other words, a similar tune to that voiced by Weizmann.

Theoretically there is good reason for joining forces between Weizmann and the party's doves. But there remains a problem: A party is not established based on a defense outlook alone. A party is a mosaic of political, social,

economic, and cultural viewpoints. "Weizmann is problematic on social issues," said MK Mikha Harish, chairman of the committee preparing the Labor Party platform for its upcoming convention.

Weizmann did indeed declare that his is not the red flag. On the other hand, some ask, what is the difference between Weizmann's lifestyle, a businessman, and the lifestyles of other famous, respected leaders of the Labor Party such as Abba Eban, Hayim Tzadok or Moshe Sahal?

#### The Silver Platter

Yahad's platform is completely different, on social and economic issues, from that of the Labor Party. Yet, it can be assumed, that within a short time a formula may be found, to integrate Yahad into the Labor Party. The general secretary of the party, 'Uzi Bar'am, wants a total fusion. He does not want Yahad to join as a group, but, rather, he would like its members to become Labor Party members in the true sense of the word.

Theoretically Weizmann should be devoting all his energies to this issue. But it does not seem to concern him. All his attention is given to the political developments. He gave himself 2 months in which to make up his mind.

And if there is no movement in the political process within 2 months? Let us assume that the rotation will take place, and then--as Weizmann predicts-- the peace process will freeze altogether. Will he resign and go back to Caesaria?

Weizmann proved in the past that he is not attached to his position. In May 1980 he resigned as defense minister, in the midst of bitter disagreements with Begin. He thus gave up a real chance to become Herut's leader--and a prime minister--which was about to be served to him on a silver platter. There were those who considered this a sign of a decent, honest human being. Others reacted contemptuously: He is no politician and he lacks patience, the basic quality a successful politician must possess.

It is difficult to know what Weizmann will do this time. He is unpredictable: easy to get angry, easy to appease. Will he burst out? Will Peres know how to appease him? What is clear is that 'Ezer climbed a tall tree. It is hard to tell whether he can come down without having his prestige impaired, or whether, for 'Ezer, it is not even a tall tree,

[Box on p 5] Yahad [together] or Separately?

Yahad this week initiated a move intended to pressure the Labor Party leadership to conclude the negotiations on ties between the two parties.

It should be pointed out that Weizmann, in deciding to support Peres' candidacy for prime minister, created the political constellation which precluded a coalition headed by Likud. There is no doubt that Weizmann personally preferred Peres over Yitzhaq Shamir. But he did not do that without a reward: His support of Peres was accompanied by a secret five section agreement between Labor and Yahad.

Weizmann was promised that he would be appointed foreign minister or finance minister (as he chose); MK Binyamin Ben-Eli'ezer (Fu'ad) was to be a deputy minister in one of the more important ministries; Yahad was also promised representation in the diplomatic corps and in government firms; likewise, Avraham Tamir was to be appointed national security adviser. He was to oversee the activities of the national security council which was to be established and was to report directly to Weizmann.

The national unity coalition precluded Weizmann from becoming either foreign minister or finance minister. It was therefore agreed that he would become minister without portfolio, with responsibilities over the national security adviser and the adviser on Arab affairs.

As far as Weizmann personally is concerned, the agreement was carried out, for the most part. The adviser on Arab affairs reports to him; he is a member of the political-defense inner cabinet, he is member of the ministerial economic committee, the prime minister's door is open to him and he also carries out special duties as assigned by the prime minister.

But other parts of the agreement have not been carried out. Avraham Tamir is director general of the prime minister office, but he is not national security adviser, and there is no national security council. Tamir does not hide his dissatisfaction with the job. Apparently he feels that he has the ability to contribute and to do more than he is allowed to. Yahad people have not been appointed to positions in the diplomatic corps, neither have they been appointed to managerial positions in government owned firms. Fu'ad is not a deputy minister. The possibility of appointing Yahad member Maj Gen (Reserves) Moti Hod as CEO of Aerospace Industry has not been considered.

Yet, there are signs that the Labor Party is willing to go toward Yahad. Accountant Gad Pnini, general secretary of Yahad, who has ambitions for a political career, said this week that he heard from 'Uzi Bar'am that he (Bar'am) agreed with the general secretary of the Histadrut, Isra'el Qeysar, that Yahad would receive an appointment to the Histadrut central committee, to be elected soon. In the meantime Yahad is represented in the local council committee. It can be assumed that the Labor Party would like to absorb Yahad with a promise to put Weizmann among the first five names heading Labor's Knesset candidates, and also to reserve two more realistic spots for his people. The biggest question is, will Yahad's leader, 'Ezer Weizmann, agree to be absorbed by the giant that Labor is, or will he decide, within the next 2 months, to take an independent road again?

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LEBANON

SON OF FORMER PRESIDENT CALLS FOR ELECTIONS, TIES WITH SYRIA

London AL-HAWADITH in Arabic 11 Oct 85 pp 15, 16

[Interview with Dani Sham'un by Sharbal Zughayyib: "The People Must Elect the President"]

[Text] The new National Liberal Party chairman, Eng Dani Sham'un, lets no occasion go by without asserting that there is no scope for a solution to the Lebanese crisis except through a common discussion among the Lebanese and their agreement to a formula for coexistence.

He says that the rights of a specific faction may not be given permanent legitimacy at the expense of other factions and that comprehensive secularism is the sole radical solution to all the problems the Lebanese people are suffering from.

In a conversation with him, Dani Sham'un stressed that he would adopt what he had learned from his father during the stage he embarked on politics. In any event, "Chairman Dani" added, "I am the chairman of the party, the party people are on my side, and all of us in the party will safeguard the sacrifices [former] President Sham'un has made. The whole party will succeed its chairman via the policy he has pursued for 50 years."

AL-HAWADITH: There has been much noise about the recent Samar Jubayl meeting, for it and against it. You personally took part in this meeting; in your opinion, is it possible, through the former presidents, to get the Christians to speak in unity, regardless of the military's view on this subject?

Dani Sham'un: The Samar Jubayl declaration was clear. If we want to bring about a common discussion among the Lebanese, this war will end, and the politicians will undertake this. When preparation for the second Samar Jubayl meeting, which arose from the first step generated by the three presidents, each of whom led this country for 6 years, was completed, I believe that they have the confidence of the people in Lebanon, since the solution could set forth from their experience and their exercise of rule, and this solution could bring all the Lebanese together.

This step could at least constitute the consolidation of Christian ranks, to offer a unified vision concerning the broad steps of the Lebanese reconciliation which will encourage the other factions and parties to take part in common discourse among the Lebanese and end the ordeal in whose shadow we are living.

AL-HAWADITH: Would it be possible for the Christians to come up with a single, unified, comprehensive working paper concerning all the issues that have been raised on the Lebanese stage? What if armed Christian elements are against such a paper?

Dani Sham'un: I have not considered that armed Christian elements would be against such a paper. This impression might prevail among some people, but we at Samar Jubayl did not have this impression. More than that, the Lebanese Forces, along with [former] President Franjiah, helped endorse the paper we declared. We, as the Liberal Party, have also said that President Franjiah's program may be the basis for the success of any common discussion among the Lebanese.

There is no doubt that the committee which was formed in Samar Jubayl, whose members' names have not been announced, will contact everyone, away from the media and the uproar, and will essentially take into consideration President Franjiah's statement and the sum total of the ideological premises which have been declared, to prepare for a common denominator to be arrived at among all the Lebanese and for this common denominator to be submitted to the three presidents for presentation to the Lebanese people.

AL-HAWADITH: Do you believe that this committee will arrive at such a common denominator?

Dani Sham'un: Of course, without a doubt, because there is indeed a common denominator for coexistence among the Lebanese and a meeting among Lebanese must occur, because there will be no scope for ending the Lebanese war except through frank talk among the Lebanese in the context of the Lebanese themselves, alone, on Lebanese territory. Otherwise, there will be no end to the war.

AL-HAWADITH: Will all the Christian parties and influential figures attend the national Christian meeting it is proposed will be held in al-Diman?

Dani Sham'un: There is no doubt that everyone will attend it. Otherwise, we will in essence be deceiving ourselves. The three presidents may consider it appropriate to confine it to the deputies, the present and past ministers and some other influential figures. We are full of confidence that the three presidents will act only in the interests of the Christian citizens and the Lebanese citizens in general. We will act with all our strength and effort so that this meeting may occur, in al-Diman or any other place that can accommodate the number that will attend this meeting.

AL-HAWADITH: Might Bakraki be a headquarters for such a meeting?

Dani Sham'un: Absolutely not. Bakraki has not been proposed as a site for the meeting.

AL-HAWADITH: I mean, is there a veto on Bakraki on anyone's part?

Dani Sham'un: Bakraki has not been proposed.

AL-HAWADITH: What if President Franjiyah insists on refusing to meet with any Phalange official, as part of any general meeting?

Dani Sham'un: President Franjiyah met with the vice chairman of the Phalange Party.

AL-HAWADITH: But in a personal capacity, as President Franjiyah himself said.

Dani Sham'un: But he is still the vice chairman of the Phalange Party, and in addition President Franjiyah has met with Ili Hubayqah, who is a Phalangist and commander of the Lebanese Forces, which consists of the Phalange Party for the most part. I believe that the veto you are talking about does not exist, while realizing that there are some reservations about some people in President Franjiyah's mind. We understand and appreciate these reservations. President Franjiyah has declared his readiness to turn over all the leaves of the past and meet with all Lebanese for the sake of resolving the Lebanese issue.

AL-HAWADITH: After this meeting is held, if it is held, there is a recommendation that a comprehensive Christian-Islamic meeting be held. Where will this conference be held and will you attend it if it is decided to hold it in Damascus?

Dani Sham'un: After the Christian national meeting, all Lebanese factions and parties, including political parties which have no factional character, will be summoned in order to meet and discuss the vision the Christian national meeting will have produced. I hope that this meeting will be held in Lebanon, so that all parties will have the freedom to move and speak frankly without supervision from above.

AL-HAWADITH: Does this mean that you will refuse to go to Damascus?

Dani Sham'un: I have not refused to go to Damascus; rather, if this a matter of compulsion, will help to solve the Lebanese issue and the Lebanese government has considered it appropriate that this sort of meeting should be held in Syria, we are prepared to go since we are a Lebanese party and go abroad only by the agreement of the Lebanese government.

AL-HAWADITH: Does Dani Sham'un have the personal intention of going to Damascus?

Dani Sham'un: At the present time I have no thought of going to Damascus.

AL-HAWADITH: There has been emphasis on the issue of the three chief offices, particularly the presidency. What is the Liberal Party's position on the issue of giving it permanent legitimacy or not doing so?

Dani Sham'un: The Liberal Party has a basic opinion, considering that secularism constitutes the firm solution to the Lebanese issue, though factionalism, and factional fear, still exist in the atmosphere, and all the action in the past gave factionalism permanent legitimacy, provided that we proceed with a regime which guarantees the rights of the factions in Lebanon, the absence of transgressions by specific factions against other ones, respect for the articles of the constitution and the refusal to exploit government positions to suppress a specific faction. The 1943 document was an act of deception against the constitution, since it suspended many articles in it. Of these articles, the most conspicuous were those which stipulated the establishment of the supreme court, which would have the effect of trying presidents, ministers, deputies or government officials for violating the provisions of the constitution and the laws.

The fact is that high positions do not guarantee factions' rights, and this war has proved that no president can guarantee the rights of his own faction. If some guarantees have to be given, that will be through the application of justice, which in reality is the greatest guarantee for everyone, and traditional usage should not be turned into a means for realizing personal objectives.

If the process of giving permanent legitimacy to the chief offices will put a limit to problems, there is nothing against that. However, conversely, guarantees must be given to more than the three factions, because there are six large factions in addition to others, although they are minorities. Frankly, there are Druze demands and it is not possible to solve the Lebanese crisis without taking them into consideration. There are Greek Catholic and Orthodox demands, and unless these are realized it will not be possible to reach a solution. Therefore we must all meet and speak frankly about all chief offices, high positions and jobs.

AL-HAWADITH: The principle of eliminating commitments to religious sects in high positions has been proposed, that is, the presidency should continue to belong to the Christians in exchange for which the chairmanship of the assembly and the premiership should go to Moslems. Is this recommendation practical, in your opinion?

Dani Sham'un: All these recommendations will be up in the air unless everyone meets and discusses things frankly and seriously. They might conclude that this recommendation, or others which have also been proposed, should be applied. One should bear in mind that we believe that only comprehensive secularism as a system for solving all political and social problems will be suitable for Lebanon with its current comprehensive society.

AL-HAWADITH: Some people say that it is possible for the Moslems to accept the permanent legitimacy of having the presidency belong to the Christians, and even the Maronites, in exchange, however, for having the president elected by the people. Are you in favor of this recommendation?

Dani Sham'un: Ultimately, we must obtain the approval of the principle of having the people elect the president, since the president at present proceeds with the support of the deputies, not the support of the people. If he

is elected through the people, his conduct will change. However, this must be part of the comprehensive solution and part of the development Lebanese society will go through.

AL-HAWADITH: Some people say that the people uprooted from the mountains will return only through the auspices of Syria. Do you believe that it will be able to bring them back?

Dani Sham'un: The uprooted persons, all the uprooted persons, can go back to their homes only with the approval of all the Lebanese groups. When we reach a comprehensive reconciliation and solve the pending political problems, all the uprooted persons will go back to their homes, because coexistence among the Lebanese is essential and will be easy to achieve.

AL-HAWADITH: How would you evaluate your relations with Minister Walid Junblatt at present?

Dani Sham'un: There is a personal friendship which binds me to Walid Junblatt. We are all working to preserve this relationship, bearing in mind that we differ over some political matters since we belong to two parties, one socialist, the other liberal. We hope to solve some pending matters through our friendship.

AL-HAWADITH: Are there contacts?

Dani Sham'un: Of course contacts between us have not been cut off. There is an agreement to maintain these contacts and hold discussions in a manner which will be beneficial for all the Lebanese people.

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LEBANON

AMAL, PALESTINIAN OFFICIALS DISCUSS CONTINUED FRICTION

London AL-TADAMUN in Arabic 19 Oct 85 pp 23-25

[Article: "Accusations Exchanged Between Amal and the Palestinians--War on Paper, Fighting on the Ground"]

[Text] The war of opinions and positions between the Shiite Amal movement and the Palestinian fighters in Beirut and its suburbs is no less dangerous than the reckless war of bombs, artillery, rockets, and bullets that is mowing down the innocent, shattering their lives and sweeping away their livelihoods and property. Each faction holds to its opinion and considers the other faction to be in error. Each looks at reality from its own political ideological perspective and from the angle of its many-sided interests and connections.

However, the war of opinions and positions remains much better than massacres. Barricades on paper are more encouraging to dialogue and discussion than street and district barricades behind which lurk the tools of destruction, devastation, and death.

From this point of departure, AL-TADAMUN conducted a debate between the two sides. Each side resolutely held on to its verbal positions and tried to defend them, attempting to justify what its military positions were inflicting on the other side.

What does each faction say when it hides behind these positions?

The first accusation that the Palestinians aim at Amal is that it is striving to liquidate the Palestinian military and civilian presence in Lebanon by forcing the largest number of Palestinians to depart from Lebanese territory.

Concerning this, Haytham Jum'ah, a lawyer and member of the Amal movement's political office and of the coordination committee for the camps, said: "I do not want to answer that accusation, because our position is clear and well defined. We are constantly the target of contradictory campaigns and unfair attacks. We have given martyrs for the liberation of the south. The struggle of the Lebanese national resistance still continues and will continue. In our opinion, the liberation of the south gives us hope and strengthens us so that we shall soon reach Palestine."

He added: "The accusation that we are liquidating the Palestinian presence is a Zionist accusation. One must ascribe the accusation in question to the fact that we fought against Israel. The accusation is a cornerstone in the conspiracy that seeks to create a collision between the Shiites and the Palestinians. Shiite Muslims are the population of southern Lebanon, adjacent to Palestine, and they are the residents of the southern suburb, adjacent to the Palestinians (i.e., to the camps). Shiite Muslims are the people who took the Palestinian revolutionaries and refugees to their hearts and who, alone in Lebanon, bore the blows and savage operations of Israel with patience, steadfastness, and dedication without the sympathy of anyone."

"Shiite Muslims are the people of the southern suburb who lost everything they owned for the sake of Palestine and its people. Are the accusations heaped on them by intriguers, hypocrites, and sowers of discord to be believed? We will keep the Palestinians in our hearts and minds. They are our people. We shall look away from inflammatory and contentious words. The cohesion between the Amal movement and the Palestinian people will be the firmly knit row of bricks that alarms the foe and challenges the active forces of the entire world."

[Question] But the Palestinians say that the Amal movement prevents them from carrying out commando operations from the south of Lebanon, where Amal is the only political and military force in the area. What is your reply?

[Answer] The Amal movement believes that the recovery of Palestine and its liberation from Zionist filth are a legal obligation incumbent on all. Amal has given the blood of its sons and its people for the sake of this. To say that Amal is preventing the Palestinians from fighting Israel is untrue. It is just like the story that we want to do away with or move the Palestinian camps. It is talk that comes out of the misleading and destructive media. These media have lost all moral principles and Islamic and patriotic concerns, and they transgress human ethics. We shall not allow anyone to view with us or accuse us, especially because it is we who have carried the sacred torch and repelled Israel. We have given all victims of injustice a lesson and an example. We stress that the responsibility for freeing the Holy Land is our duty. In shirking that responsibility would lie our end. We shall remain bearers of the standard of return, liberation, and freedom.

[Question] But there are some who accuse the Amal leadership of not being able to control all the elements of the movement. They say that if the leadership makes a decision, that does not necessarily mean that it finds its way to implementation.

[Answer] In Amal, the structure is over everyone. The incidents that sometimes occur are merely a reaction to an attack made by others on Amal elements. The reality is that uncontrolled elements are not allowed to remain in our movement of believers, nor are we allowed to use the presence of such elements as an excuse. When we make a commitment, we support our commitments. We shall not be turned away from them by all the campaigns of intrigue and lies. Rather, we shall act to confront the enormous dangers that threaten the fatherland, with the danger of the Israeli enemy in the forefront of them.

It is not true that there are conflicts or differences within the movement. The presence of a number of points of view absolutely does not mean conflict or dissent.

Amal is absolutely not sectarian. It does not start from premises based on class, school of law [within Islam], or confession. Anyone who reads our political and intellectual principles and premises will become convinced of this.

[Question] (Turning to the Palestinian representative) What, on the other hand, are the responses of the Palestinian side to the accusations aimed at it--for example, that the Palestinians intentionally smuggle weapons into their camps in order to get into armed clashes against Amal and the armed forces of the legitimate government, with the aim of providing their own security and rejecting the security provided by the legitimate Lebanese government?

[Answer] (Hatim Ka'ush, chief secretary of the al-Sa'iqah organization in Lebanon and member of the Palestinian Salvation Front and of the Camp Security Coordinating Committee in Beirut, speaking on this point) It is absolutely untrue that the Palestinians are smuggling weapons into the camps. The weapons there were in the hands of our people before the Israeli sweep into Lebanon in 1982. There are no "serious" weapons there--I mean that the weapons present are only personal weapons. The people of the camps have been able to keep these weapons in the past. They are used only in cases of self-defense and in emergencies.

(Salah Salah, member of the PFLP political office and of the Camp Security Coordinating Committee in Beirut, speaking on the above accusation) Without a doubt, anyone who follows the circumstances through which the Palestinians have passed, whether at the time of the Israeli occupation or during the other repressive actions toward our people, will see immediately and with absolute objectivity the size of the dangers threatening them and consequently forcing them to live in a state of fear and anxiety for themselves and their future. This explains their eagerness to obtain weapons to assure their self-defense. These are light weapons. The signers of the Damascus Agreement that ended the "war of the camps" therefore agreed to the right of the Palestinians to acquire light weapons. As long as this right is included in the agreement, bringing such weapons into the camps is not smuggling. However, in accordance with the same agreement I can state definitely that the Palestinians in the camps do not possess medium and heavy weapons and are not working to bring them or "smuggle" them into the camps.

(Ka'ush, speaking about the second accusation directed at segments of the Palestinian resistance, that these segments cooperated in the past and are still cooperating with intelligence agencies in order to strike at and restrain the Lebanese national and Islamic forces and that they do not conduct operations against Israel) Such talk is absolutely untrue. Those who say such things try to link them to another statement: that the Palestinians have stopped their commando operations against the Zionist enemy. The latter is also untrue. The heroic deeds done by our people in all the occupied lands

in Palestine since 1948--throwing stones, stabbing with knives, kidnapping enemy soldiers and officers, and other acts of resistance in every way and by every means available--form an irrefutable reply to such a distortion of facts and realities. In Lebanon, however, we have been in a state of self-defense since 1975.

(Salah, speaking about the same accusation) It is impossible for the Palestinians to be in the position of opposing or conspiring against the Lebanese national and Islamic forces, especially since they believe that they must work to abort, refute, and thwart any conspiracy against these forces, and vice versa. Such being the case, how can they be conspiring against these forces? If, on the other hand, there is anyone among the Palestinians conspiring or participating in conspiracies devised against the Lebanese national and Islamic forces, that does not mean that all the Palestinians are involved in it.

(Salah Salah, commenting on the other half of the accusation, that segments of the resistance have stopped their commando operations against the Israeli enemy) The examples of heroic actions involving martyrdom that take place within the occupied territory in Palestine refute the accusation. That is the first launching point for the Palestinian revolution. The second launching point is across the Arab borders, which have unfortunately been closed in the face of the Palestinian armed struggle. The last of them was the Palestinian revolution's launching point from southern Lebanon, which was closed after the 1982 Israeli sweep. The truth is that after that date we came to be in a new situation and in new circumstances that prevented us from continuing to fight the Israeli enemy across the south. But I say with confidence that there is a new opportunity before us for resuming the struggle, and more fiercely than before, against the Israeli enemy--provided that one condition is met: that the Palestinian national forces and the Lebanese national forces translate their unified outlook and the shared evaluation of the Zionist danger aimed at Lebanon as it was aimed at Palestine, and that they turn this shared outlook into true cohesion between Palestinian and Lebanese guns in confronting the Israeli enemy who raped Palestine and is still raping the south of Lebanon.

[Question] You are accused of seeking to set up "autonomous security" for the Palestinian camps, separated from the forces of the legitimate Lebanese government, thus violating the 1969 Cairo Agreement (which many consider canceled by virtue of the changed circumstances between that time and the sweep of the summer of 1982). What is your reply?

[Answer] (Ka'ush speaking) We are for the legitimate Lebanese government always and at every moment, but our basic stipulation is that this legitimate government not be a roadblock trying to prevent our people from liberating Palestine. Talk about our trying to realize "autonomous security" is talk that should be rejected and refuted. It should not be repeated. It is inappropriate and objectionable, especially in the period after the 1982 Zionist sweep. Consequently, accusations against us in this direction should not continue. The reality in the Lebanese arena does not indicate that there is a single group, however small, that abides by the legitimate government. How,

then, do people ask us to put into practice what they themselves basically do not put into practice?

Nevertheless, we absolutely do not want to return to a situation of what is called, among other names, "autonomous security"--provided that these slogans not be exploited in order to slaughter our people and induce them to leave.

[Question] There is, however, another accusation that speaks of the insistence of the Palestinians in Lebanon on returning to the climate that existed before the 1982 Israeli sweep. To what extent might this accusation or supposition be correct?

[Answer] (Ka'ush speaking) After the 1982 sweep, we embarked upon a study and evaluation of all the circumstances and conditions that prevailed before it. We made clear and final decisions about there being absolutely no return to what had been before 1982. If there is anyone who bandies slogans and accusations, aiming them at us and believing them himself, we are not responsible for such a case.

(Salah Salah, continuing) There were two sides to the pre-summer-1982 formula. The first was positive. It embodied the importance of the Lebanese national and Palestinian national alliance. Secondly, it embodied the idea of armed struggle as a decisive way to confront the Israeli enemy. Third, experience has proved, particularly during the siege of Beirut, that the conscious armed masses, when they have at their head bold leaders who are resolute in their political decision, can achieve victories against foes hundreds of times superior to them in equipment and ammunition. This is what explains the steadfastness of the Palestinian revolution, united with the Lebanese national forces, in confronting the siege for such a long time, so that it was said, justly, that this was Israel's longest war against the Arabs.

But there were negative sides to the pre-1982 formula. For example, the formula for the Palestinian-Lebanese national relationship was not sound. Certain influential leaders in the PLO controlled the Palestinian decision and contained the Lebanese national decision. Another negative aspect of the old formula (pre-1982) was the great number of violations and offenses committed by the Palestinian revolution against Lebanese citizens who had embraced that revolution and defended it with their money and blood. We rejected and still reject this negative side of the old, pre-1982 formula. Now we reject it even more. One must therefore not confuse the positive aspects of the Palestinian revolution before 1982 and its negative ones. A responsible and conscious logical evaluation will hold to the positive aspects and eliminate the negative ones.

[Editor] Here ends the indirect "debate" between Amal and the Palestinians. It is merely "a war on paper," but it nonetheless holds within itself the seeds of dangerous events that have spilled the blood of many innocent Lebanese and Palestinians in the camps of Beirut and vicinity and that threaten to spill more blood if an end is not made to the war, both on the ground and on paper.

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LEBANON

ABROGATION OF OIL PRODUCTS SUBSIDY DEBATED

London AL-TADAMUN in Arabic 5 Oct 85 p 28

[Article: "With the Exacerbation of the Deficit and the Smuggling of Fuel, The Government Is Studying Abrogation of the Oil Products Subsidy"]

[Text] The Lebanese minister of finance, Camille Chamoun, has given a warning in which he referred to the serious exacerbation of the deficit in the independent fuel fund resulting from the government's continued subsidization of various oil products. Minister Chamoun, who in his presentation threatened to abstain from paying oil import invoices starting this September if the government did not take the initiative of abrogating subsidies, stated that the continuation of the subsidies will increase the tremendous treasury deficit. This will force it into further borrowing through treasury bonds and loans, along with which the figure of the public debt and the high interest on it will rise, and this will as a consequence have the effect of resulting in a deterioration in Lebanese currency.

As soon as the minister of finance declared his position on the subject of fuel subsidies, the minister of industry and oil, Victor Qusayr, hastened to support his colleague and join forces with him in appealing for the abrogation of subsidies and adoption of an initiative to work to raise fuel prices in a manner in keeping with cost, while adding a reasonable, moderate surcharge to these prices which will make it possible to cover the loss and gradually eliminate the accumulated deficit in the independent fuel fund, which today comes to about 10 billion Lebanese pounds. However, Minister Qusayr, though he has absolute authority with respect to increasing fuel prices, declared his refusal to bear the responsibility for this step alone, demanding political cover from the government as a whole, that is, having the decree on the increase come through the cabinet.

The file on oil in Lebanon has been opened on more than one occasion this year in light of the difficult situation the Lebanese treasury is suffering from, embodied in a deficit which by the end of this year is estimated to come to more than 8 billion Lebanese pounds. Some national reconciliation cabinet ministers consider that fuel subsidies have been one of the most important causes of this deficit, especially now that Lebanon has come to rely on oil products imports to cover domestic oil consumption, whereas the

oil situation had been based on the importation of crude oil and fuel by sea to the refining and storage centers in Tripoli, al-Zahrani and al-Dawrah. The domestic market had been supplied by oil products via the Tripoli and al-Zahrani refineries and the shortfall was covered by imports, but the situation changed completely as a result of the repeated shifting cycles of violence in Lebanon, which led more than once to the suspension of operations in the refineries and turned reliance on the importation of oil products into the basic recourse for covering the need of the local market. As a result of Lebanon's conversion from a country importing crude oil and processing oil products to a country importing the products themselves, the value of oil invoices rose alarmingly starting last year, 1984, coming to US \$512,668,000, that is, the equivalent of about 4 billion Lebanese pounds (the price of a dollar in the Beirut market in 1984 was 650 piasters). However, the rise in the price of the dollar early in 1985 threw out all bases for comparison and doubled the value of the oil bill, and consequently the deficit arising in the independent fuel fund. The 1985 dollar was 17 to 18 Lebanese pounds, not 650 piasters, which meant that the value of the oil bill which Lebanon paid in 1984 (about 4 billion pounds) will at the end of this year, on the basis of the same level of imports that prevailed in 1984, come to about 9 billion Lebanese pounds, and thus the treasury's loss through the importation of oil products at the end of this year will be about 5 billion pounds, and more.

Some cabinet members, including the minister of finance and the minister of industry and oil, consider that it has no been longer permissible to continue to make the treasury pay for such a deficit through the government's continued subsidization of fuel, especially since the conditions of the treasury have not been encouraging, as a consequence of general financial and economic conditions in the country, and that the government's continuation of the policy of fuel subsidization will ultimately lead to the bankruptcy of the government -- all the more so since the subsidies the treasury grants consumers, resulting in the great differentials between the high price and the low sales price, are now unjustified, because subsidized fuel is smuggled out of the country in every way because of the vast difference between the low sales price in Lebanon and the high sales price abroad (the price of a can of gasoline in Lebanon is 44 pounds while its price in Israel, for example, is 220 pounds), making the volumes required by the country's consumption much lower than those that are imported. In addition, the government's continued sale of fuel at a low price, below true cost, has caused Lebanese drivers to keep moving about frequently without purpose, in view of the low price of liquid fuels, all at the expense of the treasury.

On this subject Finance Minister Camille Chamoun said, "The Lebanese budget, in the context of the actual state of the current oil market in Lebanon, is now paying the price of oil products for people who are not Lebanese." Minister Chamoun added, "The continued subsidization will increase the tremendous treasury deficit in a manner which will compel it to borrow further, through treasury bonds and loans, and the figure of the public debt and its high interest will thus increase, along with the deterioration in Lebanese currency and the reiterated gyrating in a frightening vicious circle that will consequently in effect produce."

Minister Chamoun summed up by saying "Zero hour has begun to approach, as we continue to refrain from facing an economic, financial and monetary problem which in terms of importance and gravity is greater than the security and political problems."

Matching the extreme enthusiasm Minister Chamoun expresses in demanding the abrogation of subsidies and 100 percent increases in product prices, and matching the great support the minister of finance's position is receiving from the minister of industry and oil, Victor Qusayr, some members of the cabinet and union boards still express reservations, though to differing degrees, on ways of dealing with the financial and monetary crisis arising from the continued subsidization of oil product prices. Some ministers support the notion of removing subsidies but do not consider that the present time is suitable for such a step. Some people in the cabinet who have reservations on carrying out the elimination of subsidies and increasing prices stipulate a prior undertaking by the government calling for the major portion of the financial savings which will revert to the treasury through the elimination of the subsidy policy to be handed over to social, development and housing projects in order to satisfy the working class and people with limited incomes, before such a step is initiated.

In spite of all the positions of support and opposition regarding the issue of the abrogation of subsidies, the government apparently insists on ridding itself of the burden of subsidies and increasing the prices of various oil products in order to parry the threat of bankruptcy in the treasury, especially since it is not expected that the government will in the foreseeable future be able to improve its tax collecting situation in order to strengthen the state of the treasury. Therefore the only solution available to the government today to avoid the collapse of the treasury's condition is in abrogating subsidies and conversely it is up to the citizen, on whom the consequences of the increase in fuel prices will be reflected, to prepare to bear further living expenses while waiting for the final solution to the Lebanese crisis, along with which the financial and economic solution in the country will come about.

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LEBANON

FLIGHT OF BUSINESSMEN CONTINUES

London AL-TADAMUN in Arabic 19 Oct 85 p 28

[Article: "Flight of Businessmen Has Become Irreversible After New Worsening of Security Conditions"]

[Text] Political and security pressures on the Lebanese economy continue, pressures which have assumed a distinct and dangerous character in the latter half of the current year in the wake of renewed waves of violence in more than one region of Lebanon as a result of the disturbed political situation arising from the demand by some political parties and armed organizations for radical political reforms in the Lebanese system, while some other partisan groups oppose such reforms. In the opinion of more than one local, regional, and international political source, this has returned the Lebanese crisis to its starting point, since the political and security climate prevailing today is almost completely identical to the situation that existed in 1975-76 in the wake of the outbreak of the Lebanese war.

Some Lebanese bankers who left Lebanon some time ago and established banking or financial company branches in more than one European country--particularly in Paris, Geneva, and Cyprus--say that their flight was temporary in the beginning, since they intended to remain in business in Lebanon in addition to their new operations in Europe and elsewhere; now, however, after following the play of events in the Lebanese war and its negative impact on the general economic situation, their return to Lebanon--at least in the short term--has become unlikely. Based on more than one piece of advice from trustworthy local, regional, and international political friends, they have even begun to think seriously of finally liquidating their operations in Lebanon and of settling abroad.

These men stress that Lebanese political indicators suggest that a political and security solution in Lebanon has become a complex and difficult matter, given the interaction and entanglement of the Lebanese crisis with the regional one, and given, too, its extension into international affairs. Therefore, a decision to settle the Lebanese crisis awaits an American-Soviet accord, and the summit meeting to be held between the American and Soviet presidents will serve to define the course of the Lebanese crisis.

Some Lebanese economic sources think that the prolongation of the Lebanese war and the continued political entanglement among the contending Lebanese

factions make it certain that the crisis will remain unsettled for a long time to come. Lebanese economic sources believe that the Lebanese banking market, which preserved some of its strength throughout the war years, has also begun to witness a large-scale flight abroad in the latter half of this year. More than 10 principal banking branches have been established in Paris, Geneva, and Limassol on the island of Cyprus. Other banking institutions have begun to face major financial difficulties that have required the Central Bank of Lebanon to intervene to keep them afloat. Also, bank deposits have declined noticeably as monetary transfers abroad grow in size to escape the Lebanese pound and the uncertain political situation in the country. Added to all of this, the worsening treasury deficit and the growing national debt are other indications of economic insolvency.

Other banking and financial circles talk about what they describe as "the sorrow" felt by Arab businessmen concerning the state to which the political and economic situation in Lebanon has come. These sources say that many Arab businessmen, especially in the Gulf states, who have investments in Europe and America are encountering great difficulties in multilateral operations. They talk to their Lebanese colleagues abroad about the difficulties they face in their operations. They express sorrow and regret about the state which the situation in Lebanon has reached, and they are waiting impatiently for a return of stability to the country in order to resume their activity. This is especially true now that attacks on Arab businessmen--tourists in particular--have reached a provocative level, in spite of the extreme benefit that the Arabs bring to the countries of Europe through their investments there which exceed hundreds of millions of American dollars. In Lebanon, on the other hand, the Arabs were esteemed and welcomed as businessmen and tourists, and they realized great profits by their investment operations in Lebanon.

In short, the reality of the Lebanese economy--and therefore its future--no longer inspires much confidence. Pessimism, even though such a word is difficult to pronounce, is the reality and the future of this economy. The Lebanese businessman has lost confidence in the political future of his country and in the possibility of ending this destructive war of more than 10 years' duration. And so, businessmen, as many of them explain, can no longer sustain the losses without there being a harbinger of rescue. Are the politicians and armed men in Lebanon aware of the danger of this situation? Will they work toward saving what remains of Lebanon as an economy and a people before it is too late? Or has the opportunity for rescue passed and become an impossibility?

12937/13167

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LEBANON

PORT OF BEIRUT THREATENED WITH CLOSURE

London AL-TADAMUN in Arabic 19 Oct 85 p 29

[Article by Ibrahim 'Awwadah: "'Port of the Arabs' Threatened with Closure Because War Has Exhausted the Port of Beirut and 'Illegal Ports' Have Stolen Its Role"]

[Text] Henri Fir'awn, chairman of the board of directors of the Port of Beirut Management and Investment Company, sent out a warning to the authorities, calling attention to the many and complex difficulties which the port has been enduring since the beginning of the current year, 1985, difficulties embodied in a serious decline in business traffic, so that traffic in the port today represents no more than 18 percent of the traffic in 1975, on the eve of the Lebanese war.

Henri Fir'awn called attention to the fact that it will henceforth be difficult for the port company to pay the salaries of its employees and that in the event deteriorating port conditions are not dealt with, it may be forced very shortly to stop operating and to dismiss all its employees, which would mean that the port itself would cease to operate and that a crushing blow would be aimed at the Lebanese economy, a blow that would increase the economic and social problems from which the country has been suffering for 10 years as a result of the war's repercussions.

What the chairman of the Port of Beirut Company said about the deteriorating situation in one of Lebanon's most important economic facilities, the port of Beirut, surprised none of the economic observers and authorities who see at close range the true facts of the critical operating situation in the port, based on the following indicators:

1. The security situation near the port has become so disturbed that the port of Beirut stopped operating for more than 90 days to date this year. Moreover, the port has been virtually closed since July, following the closing of all the crossing points leading to it and of the crossings between the two Beiruts.
2. International navigation companies have turned away from the port as a result of the unstable security situation, particularly near the port. The international navigation companies that continue to do business with the

port have imposed very high insurance fees on goods arriving or leaving from it.

3. All the Arab importers have turned away from the port of Beirut, compelled by the well-known security conditions in Lebanon generally, and near the port specifically.

4. Import traffic has fallen away from Lebanon generally as a result of the rise in foreign currency prices in relation to the exchange rate of the Lebanese pound.

5. The "illegal ports," which had been closed in the winter of 1983, have started operating again.

The unfavorable security situation in the port of Beirut and the flight of importers and exporters from it encouraged the operators of the "illegal ports" to reopen them in order to absorb the export and import traffic, since these ports, which are scattered along the Lebanese coast, are considered more secure than the port of Beirut.

Also, these ports have proceeded to apply lower customs tariffs than the ones in effect in the port of Beirut. This has encouraged both the importer and the exporter to do business with these ports at the expense of the main international port.

Furthermore, the geographical discontinuity that has arisen between the regions of Lebanon--i.e., the separation of the Lebanese regions from each other--has encouraged the "illegal ports" to resume activity, given the fact that they are located in areas convenient to all the importers and exporters and protected by militias that are basically both cause and effect of the stopping of traffic in the port of Beirut. Thus the suppliers and importers are insured a safe arrival in them, while no one guarantees their safety if they do business with the port of Beirut.

Some people blame the government security agencies for not making an effort to protect the port. They accuse the agencies of indirectly encouraging the "illegal ports."

But the state and its security agencies are of no consequence!

The above negative indicators have had a great impact on business activity and traffic in the port of Beirut: this year to date, the port's traffic has declined to its lowest level since the beginning of the Lebanese war on 13 April 1975.

According to the latest statistics published by the Port of Beirut Administration, the port received 1,073 ships, most of them small, through August of this year, as against 2,800 in 1984.

As for the movement of goods, 1,373,774 metric tons of goods and various commodities were registered through this August, as against 5,373,862 metric tons of various goods through August of 1984.

The "free zone" and "transit" system and the customs system registered traffic no greater than 40 percent of last year's.

In addition to all of this, the decline in port activity has led to a serious decline in customs receipts collected for the treasury through the port. The value of these receipts today amounts to approximately 20 million Lebanese pounds a month; in 1984, it was close to 42 million pounds a month. The decline in port activity has also led to a serious decline in income for the port's management and investment company: the company's receipts dropped to 18 percent of what had been estimated, for a gross of about 2.5 million Lebanese pounds a month. The company had expected the value of receipts to reach 16 million pounds.

Starting from the above negative indicators surrounding the nature of operations in the port of Beirut, one clearly perceives the reality of the difficult situation this important Lebanese economic facility is enduring. It is a situation which, if it persists, will threaten the existence of the port that until the eve of the Lebanese war was considered one of the most important ports in the region, one that functioned as a trade bridge linking the Middle East and the entire world. The port of Beirut served as an axis for the trade of the entire Arab region. As the principal passageway for all goods and commodities imported for the Arab states in general, and for the Gulf states in particular, it received the name of the "port of the Arabs."

After all that has just been said, one must ask whether the port of Beirut will fall, as many important economic facilities in Lebanon have fallen before it, because of the destructive war that has been overwhelming it for approximately 11 years. Furthermore, will Lebanon lose one of the most important components of its economic strength, and will the Arabs consequently lose their principal important gateway? Will a political solution of the Lebanese crisis perhaps take place in the near future, bringing with it the desired successful relief of all of Lebanon's economic problems, including that of the port of Beirut?

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PALESTINIAN AFFAIRS

LAYLA KHALID DISCUSSES AIRPLANE HIJACKINGS

London AL-MAJALLAH in Arabic 4-10 Dec 85 p 15

[Interview with Layla Khalid: "Layla Khalid Tells AL-MAJALLAH, 'I Condemn the Hijacking of Airplanes, but I Do Not Regret My Involvement in Airplane Hijackings'"; in a Palestinian camp in Damascus; date not specified]

[Text] When an airplane is hijacked by Arabs or non-Arabs, the name that comes immediately to one's mind is that of Layla Khalid, the Palestinian guerilla who earned her notoriety for carrying out such operations which rocked the world in the early seventies. Opinions differ about the usefulness of such operations to the Palestinian cause.

AL-MAJALLAH interviewed Mrs Layla Khalid, who is pregnant and awaiting the birth of a child; she lives in a Palestinian camp in Damascus. AL-MAJALLAH asked Layla Khalid what she thought about the tragic outcome of the Egyptian airplane hijacking in Malta's Luqa Airport. We asked her if she thought that outcome was avoidable. We also asked her what she thought about hijacking airplanes in general; about storming hijacked airplanes; and about the new generation of hijackers. The text of the interview follows.

[Question] What do you think about the outcome of the operation to storm the hijacked Egyptian airplane in Malta's Luqa Airport?

[Answer] We think the act of storming the airplane was a form of terrorism quite equal to the hijacking of the airplane and the execution of some of the hostages by the hijackers at the beginning. In fact, we think it may even be more serious because the act of storming the airplane did not solve a problem. Instead, it created a more serious problem than that which it was carried out to solve. I believe that many mistakes were made in handling that hijacking operation, and the evidence for that lies in the fact that the solution turned out to be nothing but a massacre in which 60 people, most of whom were hostages, lost their lives.

[Question] Where do you believe that mistake was made in handling that situation, and could it have been avoided?

[Answer] There is a big difference between dealing with hijackers and dealing with the passengers of an airplane. One cannot treat hijackers and those they

kidnap in the same manner. The hostages who survived this operation said that the troops which stormed the airplane were firing their weapons at random inside the airplane. That is why the outcome was so tragic.

[Question] As someone who took part in hijacking operations in the past, do you support such operations. If you do not support this method, why not?

[Answer] I condemn airplane hijackings that are being carried out at the present time, even if they are being carried out by Palestinian organizations. I condemn them because this method is no longer achieving the objective that we were hoping to achieve when we carried out such actions in the early seventies. Our objective during that period was to use different means to make people know what the Palestinian cause was all about. We wanted to break through the dark cloud of silence that was imposed by the international media on that cause. Now, however, we've stopped those hijacking operations altogether since the Palestinian cause now holds a prominent international position and has gained the international support that we were hoping to gain for the cause of people who have been stripped of their legitimate national rights, people who are fighting to regain those rights.

[Question] It is being said that all hijacking operations are the same whether they are done for a legitimate cause or for no other reason or cause. The lives of innocent people are always threatened in such operations. How would you respond to such a charge?

[Answer] When I took part in an airplane hijacking operation, our objective was not to kill any hostages or blow up any airplanes. The only thing we wanted was publicity for our cause. The evidence for that is that none of the hostages, passengers or crew members was killed. Quite the contrary, it was our comrades who got killed. And our response to the killing of our comrades was greater determination to safeguard the hostages' lives. When we achieved our aim for publicity, we stopped those hijacking operations altogether, and we declared our opposition to them.

[Question] You've criticized the manner in which the hijacking of the Egyptian airplane was handled, and you condemned the operation to storm the airplane, an operation that resulted in a bloody massacre. What do you think would have been an alternative to storming the airplane?

[Answer] I think that negotiations with the hijackers to protect the lives of the hostages should have continued.

[Question] But those who defend the storming of the airplane say that operation became unavoidable after the hijackers began killing the hostages at the rate of one hostage every hour. What would you say to that justification?

[Answer] I believe that even if that were true, the hijackers would not have killed 60 people. I would also add that those who stormed the airplane knew that the hijackers were armed. They knew that when an armed man is attacked, he will defend himself and fire his weapon. Therefore, the outcome of the operation to storm the airplane should have been expected by those who carried it out and by

those who planned it as well. In saying this I do not absolve the hijackers from blame, but I also hold those who stormed the airplane responsible. Information received from the United States stated that those who stormed the airplane made a number of mistakes, such as storming the airplane from the wrong place and using highly explosive bombs. I believe that that operation was stupid and criminal.

[Question] Now that airplane hijacking operations have become operations that end in massacres and the killing of hostages, do you regret that you ever took part in such activity?

[Answer] I do not regret being involved in the airplane hijackings that I was involved in because those operations achieved the objectives for which they were carried out.

[Question] Do you fly?

[Answer] Yes, I do.

[Question] Aren't you afraid that your airplane may be hijacked and that you may become a hostage?

[Answer] If my airplane were hijacked and I became a hostage, then my fate will be like that of all the passengers. There is no strength and no power save in God. What do you want me to do? I'll wait and hope for safety.

[Question] Do you have children?

[Answer] I do. But why are you asking me these questions? Let's stick to the basic subject.

[Question] What do you think would be the alternative to such actions, I mean, the hijackings?

[Answer] The alternative now to operations that are carried out abroad is to focus our attention on escalating the armed Palestinian struggle inside the occupied land. Since these operations that are carried out outside the country are not achieving a specific political objective, they must be abolished. Any Palestinian organization has to direct the struggle inside the occupied land. It has to shift the struggle and move it from foreign countries to inside the occupied land. In other words, the intra-Palestinian struggle and the Palestinian struggle abroad must be moved to the occupied land.

[Question] Now that foreign operations and airplane hijackings have been stopped and the proposed settlement condemned, what is the status of your armed struggle?

[Answer] Our activities in the occupied land are obvious--whether these are military actions or popular uprisings inside the country. Not a single day goes by without some political and military activity taking place. Politically, however, we oppose the proposed settlement and the Amman Agreement.



PALESTINIAN AFFAIRS

INTERVIEW WITH 'ABD-AL-RAHIM AHMAD

London AL-TADAMUN in Arabic 14 Dec 85 pp 17-18

[Interview with 'Abd-al-Rahim Ahmad: "'Abd-al-Rahim Ahmad, Member of the PLO's Executive Committee Tells AL-TADAMUN, 'These Are Difficult Times. Those Who Left Their Positions Are Being Asked To Return To Them';" date and place of interview not specified]

[Text] Palestinian officials agree that the difficulties which are now being experienced by the Palestinian cause are greater than those it has encountered to date. Guerilla activities can no longer be launched from those Arab countries that are close to occupied Palestine, and the [effort to reach a] peaceful settlement has been deadlocked despite the apparent rapprochement between the distant positions of the parties involved. The Palestine Liberation Organization is being asked to accept Security Council Resolutions 242 and 338 so that it can be asked to participate in international peace talks or in an international conference that may look into the national rights of the Palestinian people and may not reach any conclusions as a result of its deliberations. And the Americans and Israelis have taken action aimed at isolating the organization and stripping it of its distinction as the sole, legitimate representative of the Palestinian people. The aim of the American and Israeli action is to keep the PLO out of the settlement equation and the settlement efforts as well.

Palestinian leaders say they were not involved in the two Security Council resolutions; therefore, the status of these two resolutions does not concern them. Nor are they concerned with them as resolutions independent of others that were issued by the United Nations since 1947. Palestinian leaders do not see on the horizon any guarantees or proposals that could make up for their recognition of these two resolutions. Palestinian leaders are asking Arabs who are devoting their attention to the settlement to understand this matter and to appreciate the organization's nature and makeup. Palestinian leaders are asking Arabs to understand that the PLO is not a state or a stable government and that it is trying to maintain an active, effective and useful role in the political arena without making concessions it does not have to make.

It was in the midst of this difficult stage that Palestinian leaders held meetings in Baghdad that lasted for 6 consecutive days. Three days were devoted to the meetings of the PLO's Executive Committee and Fatah's Central Committee; and the other 3 days were devoted to the meetings of the Palestine Central

Council, which has 75 members. Of those, 69 came to Baghdad for the meeting, and 6 did not attend the meeting for various reasons.

The final communique that was issued after these meetings did not include anything new in the Palestinian position, nor did it reveal any dramatic change in that position. To find out what happened at these meetings and to obtain information about the implications of the final communique, AL-TADAMUN interviewed Mr 'Abd-al-Rahim Ahmad, member of the PLO's Executive Committee. AL-TADAMUN began by asking Mr Ahmad the following question:

[Question] Granted that the Palestinian cause is going through a difficult period, with the countries around Israel making it impossible for military activity against that country to be carried out. The price that Palestinians are being asked to pay is considerable, and the American-Israeli attack has reached its fiercest level. What is the present outlook for Palestinians, and how can that be overcome with the least amount of losses?

[Answer] Military action and the political activity associated with it figured prominently in the meetings that Palestinian leaders held recently in Baghdad. They figured prominently in other PLO organizations as well. Military action is affirmed by everyone, and it is continuously given priority. Palestinian leaders try to discredit a number of excuses and allegations that are made by enemy forces. It is for that reason that they pause every time to evaluate their course and reconsider their steps. Palestinian leaders do that to achieve the best results out of this political activity and out of the military action to which they devote a special effort, especially inside the occupied land. This is the more eloquent response to the conspiracy whose aim is to put an end to the Palestinian cause by American and Israeli means. The conspiracy to end the Palestinian Revolution, which is still being carried out, is now trying to put an end to the organization's political role after failing to put an end to its military role with the invasion of Lebanon. The PLO is aware of that fact, and it is doing everything it can to confront this conspiracy with active political action that manifests itself in establishing a presence on the Arab and international scenes and carrying out effective military action inside our occupied land.

[Question] The Central Council discussed the subject of national unity, and the final communique affirmed the importance of agreement between the Liberation Organization and other factions that withdrew from the organization after the 1983 split. How will those people be persuaded to restore a minimum measure of Palestinian national unity? Is any thought being given to convening a new session of the Palestine National Council that would be attended by the other factions?

[Answer] This is the second session for the Central Council; the first session was held in Tunisia late last March. It was supposed to meet earlier than that, but the changes that occurred on the Palestinian, Arab and international scenes distracted Palestinian leaders and kept them from meeting. Those leaders were engaged in making a series of contacts with Arab and international figures, after which they decided to convene the council in Baghdad to look into all the new developments that had occurred between the council's two sessions. At that

meeting Palestinian leaders presented all the information they had gathered and all the conclusions they had reached. It is known that that meeting was preceded by a meeting of the PLO's Executive Committee, a meeting of Fatah's Central Committee, and a meeting of National Council leaders. At that council meeting all the developments that Palestinian action had faced and was facing were looked into, and a decision was made by Palestinian leaders to refer all matters to the Central Council which would make the necessary recommendations in that regard.

The most important item on the council's agenda was to study the implications and consequences of the Zionist raid on PLO headquarters in Tunisia, particularly with regard to the American-Zionist decision to eliminate PLO leaders by taking advantage of some incidents that would be used to justify a criminal action. In that regard, the American administration used the hijacking of the Italian ship, which had a negative effect on our political struggle in the international community, to carry out the well-known act of piracy against the Egyptian airplane which was carrying the fighters who had been on the Italian vessel. Abu al-'Abbas, member of the Executive Committee, was with those fighters on that airplane. The American administration used that incident to escalate its campaign against the PLO. It branded the PLO a terrorist organization, and it took advantage of some human emotions that we as well as others had about the incident. In that regard the Central Council had made recommendations to ensure the unity of political and military Palestinian action. The council recommended the deployment of both political and military action so that one would help the other.

The Central Council also gave lengthy consideration to the matter of Palestinian unity, and it appealed to those who had been pressed and forced to leave their positions in the PLO. The council appealed to those people to return to their positions so we could all work to strengthen the organization's course and preserve our people's gains. The council requested that the meeting be an open one and that there be no preconditions. To that end a committee was formed; it consisted of independent council members and non-members. That committee was to contact those who had left their positions in Palestinian organizations; it was to try bringing them back to those positions on the basis of the commitment we all have to the resolutions made by the National Council in its successive sessions.

The council also asked the committee that was charged with the task of making those contacts to present the results of its contacts to the Executive Committee, which is supposed to set the time and place for the meeting after finding out what these results are. These results would then be presented to the Central Council at a new session. We hope that these contacts will prove to be fruitful and that fellow Palestinians who left the organization will return to their positions to help defend the organization and its liberty and independence.

[Question] Does this mean that no thought is being given now to the idea of convening a meeting of the National Council?

[Answer] That is true. At the present time no thought is being given to the idea of convening a meeting of the National Council.

[Question] What is the PLO's position toward the rapprochement between Syria and Jordan? What can be said about the statements that were made by 'Abd-al-Halim Khaddam announcing the death of the 11 February agreement?

[Answer] The PLO is part of the Arab world; it is part of what is good as well as what is bad in that world. Like other things, it is affected by improvements as well as regressions in that world. The organization thinks that every case of progress achieved on the Arab scene, that is, every step taken to achieve solidarity, makes a positive contribution to the organization's course. The organization thinks that the opposite of that is also true. Thus, we view the agreement between Syria and Jordan from that perspective, regardless of the Syrian regime's declared and undeclared intentions. Our relations with Arabs are based on actions that are taken to bring about solidarity. At no time do we feel that such action would have negative effects on us. Quite the contrary. It is on the basis of that perspective and that method that we signed the 11 February agreement with the Jordanian government. We consider that agreement a step toward Arab solidarity despite the Syrian statement that it is dead as a door nail, as 'Abd-al-Halim Khaddam described it to the Lebanese newspaper, AL-BAYRAQ. But Mr Khaddam was not a party to that agreement, nor did we seek his advice when we signed the agreement with Jordan. Accordingly, we and Jordan are the ones who are entitled to make a judgment about the effectiveness and usefulness of that agreement to which we and our brothers in Jordan are still committed, and that commitment was manifested in the recent meeting between the organization and Jordan. Our actions are still guided by and based on that agreement which can create new prospects for our future political activity and for our bilateral relations as well. We hope this agreement will be strengthened so that the objectives that are being hoped for to serve our common cause will be achieved.

[Question] It is being said that Jordan gave the Liberation Organization a deadline for recognizing resolutions 242 and 338. It is also being said that the meeting in Baghdad did not define a position on these resolutions; that is, it did not recognize them. Do you expect this to become a cause for dispute between Palestinians and Jordanians that could affect the Amman Agreement? How accurate is the news about a Jordanian request to reduce the number of Palestinians in Jordan?

[Answer] What was reported in the media about Jordan giving us a deadline for recognizing resolutions 242 and 338 is not true. What happened, however, is that after the joint delegation visited London, we and Jordan reviewed the changes that impeded progress in that action. This review was conducted to evaluate our common political actions. We agreed about the need to be alert to those changes and to try to overcome them in the future because, essentially, they will affect all of us.

[Question] What were those rifts?

[Answer] Those rifts are manifested in the fact that the truth about joint action and its nature are not understood with equal clarity, particularly on the international scene. Also interactions with current changes and new situations that thrust themselves on the scene of international activity are not the same.

In many cases these rifts require swift reactions and prompt solutions to the problems they create on set levels in both parties. And the organization must always have the time it needs to make the appropriate decision at the appropriate time because of the nature of its existence and makeup, because of its relations with the public and because of the magnitude of the challenges it has to face. It is thus different from a system whose frameworks and institutions are stable. That is why such changes happen; our evaluation of these changes and our attitude towards them was evident in the joint meeting. Both sides affirmed the need to continue their activities on the basis of the February agreement. They both affirmed the need to strengthen the course of that action, and Jordan showed its understanding for the reality of the area. There is no truth to what has been said about signs of differences in the final evaluation, and Jordan did not ask us to restrict our activity or limit the number of our Palestinian offices. The organization's formations that we have in Jordan are in Jordan with Jordan's approval. The nature of the PLO's activities in Jordan is political and informative.

[Question] The joint Jordanian-Palestinian committee to support steadfastness in the occupied homeland was supposed to tour the Gulf states, but that tour has been postponed. Why was it postponed? Does that have to do with the Jordanian position, particularly in the aftermath of the failure of that joint delegation's visit to London?

[Answer] The reason why the tour for the joint Palestinian-Jordanian committee to support steadfastness was postponed is the attitude assumed by the committee's host countries. There is no other reason. These countries were asked officially to set a date for the committee's visit, but they have not yet responded. We hope they will respond soon, especially since our people in the occupied land are being subjugated in all kinds of ways by Zionist occupation authorities. They need something to strengthen their will and resolve on the land because most Arab countries have suspended the payments that were determined for each country at the 1978 Baghdad Summit Conference to support our people's steadfastness in the occupied land. Most of the countries that suspended their support payments have no excuse for doing so despite the fact that some of them are citing the misuse of those funds by the joint committee. And here I would like to make one point clear: I am announcing on behalf of the committee our willingness to let all our fellow Arabs--governments, public institutions and people's organizations--know how and where these funds were spent. We are prepared to account for everything that was spent if we made a mistake. Those statements that are being made are being made to hurt our people and our cause. To us, this campaign is part of the campaign against the PLO, and we regret that such statements are being echoed in Arab countries which had pledged their support for us.

It was our hope that the topic of discussion would not be rumors and that charges would not be made at random. We hope we can be presented with facts, if those are available. I would be revealing no secret were I to say that during the past session of the Central Council, after some of our fellow members who were affected by those rumors spoke, I asked the speaker of the Central Council to convene a special session of the council and to include only one item for discussion on that session's agenda, namely support for the steadfastness effort

on the occupied land. I asked the speaker to give council members 2-months' advance notice of the subject of the meeting and to ask each member who has information about a violation or an instance of misconduct to bring that information to the council's attention. I am still saying that we are willing to do that because I am confident that every fils has been properly spent. However, I believe that the basis for these rumors is in part the hostile campaign against the PLO, especially the campaign in those newspapers that are taking part in that campaign under the cover of freedom of speech and democracy, which we respect. However, this freedom of speech and democracy must apply to everyone; there should not be a double standard. Another reason [why I asked for a special session of the Central Council] is that steadfastness support funds are much less than what our people in the occupied land need. What is offered is less than half the cost of a public park in an Arab capital city. It does not even come close to the budget of one of those newspapers whose only concern is to make negative statements about the PLO.

[Question] It is being said that the geographical area over which PLO operations can be carried out has shrunk in the aftermath of Israel's attack on Tunisia and its threats to bomb the organization's offices in Jordan. Does the PLO intend to move its headquarters from Tunisia? If so, where will its new headquarters be?

[Answer] The organization's headquarters will remain in Tunisia. PLO leaders are not thinking about moving the organization's headquarters, particularly since the Tunisian government and the fraternal people of Tunisia are determined to keep the organization's headquarters in their country. They are thus rejecting all attempts that are being made by some Arabs and others to apply pressure on them to force the PLO out of Tunisia. Instead, they affirmed their commitment to embrace the organization's leaders and headquarters. These are the people whose blood was shed along with ours when Israel raided our headquarters in Tunisia. Everything else that is being said is aimed at driving a wedge between us and Tunisia. However, the organization does hold its meetings in more than one location and in more than one capital. This is done for special considerations, including maintaining continuous contact with our people, finding out about their problems and doing something to solve those problems where they exist, especially in areas where the Palestinian Revolution has an established existence.

8592

CSO: 4404/175

SYRIA

ECONOMY MINISTER DISCUSSES PRIVATE-SECTOR PROJECTS

Kuwait AL-QABAS in Arabic 16 Oct 85 p 11

[Interview with Dr Muhammad al-'Imadi, Syrian minister of economy and foreign trade, by Muhammad al-Shiti: "Syrian Economy Minister to AL-QABAS: 'I Profited From My Experience in Kuwait; There Is a Schedule of New Projects for the Syrian and Arab Private Sector'"; date and place not given]

[Text] In a conversation with AL-QABAS, Dr Muhammad al'Imadi, Syria's minister of economy and foreign trade, denied that his rejoining the Syrian government as minister of economy and foreign trade and his resigning from his position as head of the Arab Fund are indications of any change in the economic policy of the Syrian government.

However, Minister al-'Imadi acknowledged that he had benefited personally from his experience in Kuwait and the Arab Gulf region, as well as from his former position as the head of one of the most important institutions of joint Arab economic activity and from the knowledge he had gained with various Arab development experiments. He said that he would put what he had gained at the service of Syrian productive activity and Arab economic integration, where two steps have recently taken place in the direction of encouraging the private sector.

He expressed his belief that it is not possible to attribute the two steps in question to him after his assumption of his new job as economy minister, since there is no individual decision that does not harmonize with the country's economic policy.

Al-'Imadi said that there is no single individual capable of changing the policy of an entire country, except in the direction which that country had defined in the policies decided by the political leaders. (Here al-'Imadi was answering a question about the extent of the opposition between the desire to encourage the private sector and the socialist system of economy.)

Al-'Imadi added: "What I am now undertaking in cooperation with my fellow ministers is to clear space for all the productive forces to take their place in the work of building and construction, without any attempt by one group to invest in the resultant gains with more than what is permitted to another group."

## Freeing Productive Forces

Concerning the extent to which current laws would be relaxed in the direction of aiding this "freeing" of productive forces, Dr al-'Imadi said: "We began with the area of imports, where we found that need requires us to make it easy for the citizen to bring in all industry- and agriculture-related primary materials, spare parts, and basic machines needed in the development operation. This is what took place: the prime minister issued the necessary decrees to implement it, while the private and joint sectors were made responsible for insuring the funding needed for the operation. This has led to a decrease of 30 percent in the prices of primary materials."

[Question] Is that explainable by the fact that there are steps in the direction of the private sector, because productive institutions might not all have to be state-owned?

[Answer] Contrary to what is rumored, all the political decisions that were made in the economic area stressed developing and supporting the public sector and giving it sufficient flexibility to carry out its functions with ease and facility, since it represents the productive efforts of all the citizens.

However, the professional, private and joint sectors are basic sectors important in our economic life. They complement the efforts of the public sector and operate within the framework of the economic and social plan. The private sector is therefore a resource. Socialist theory asserts that labor is the basis of value. Labor comes from man, and the private sector represents productive efforts that are found in our country. To emphasize this, recently all the areas and activities left to the private and joint sectors in agriculture and tourism were defined. There is a schedule that has been prepared and authorized by the economic committee. It defines the various areas that have been left to the private sector and confirms the importance of this sector in our economic life.

## Joint Companies

[Question] These are goals. Are there at least some practical steps to attract Syrian capital from abroad? There is much private capital that would be willing to return, if given the chance--like the step that Egypt recently embarked upon.

[Answer] We have prepared a project to create new joint companies enjoying various advantages, among which is the fact that the public sector would own only 25 percent, while the private sector in its two divisions, Arab and Syrian, would own 75 percent. This is merely a beginning of interest in the overseas Syrian communities and in the Arabs in order to attract their capital to join in productive activity. These projects also enter such spheres of activity as the agricultural production of vegetables, fruit, oil-yielding seeds, poultry, cattle-raising stations, and beekeeping. The field in question is very wide. There are also numerous opportunities in the industrial area, among them: canning of agricultural products; development of the



textile, petrochemical, and engineering industries; and the production of spare parts. In short, there are 60-70 large areas that have been designated for the private sector. Until now, this has not been announced while we wait for its final approval and for two mutually related and complementary steps: definition of the areas of private- and joint-sector activity, and definition of the advantages that will be given to this sector. Among the latter, there is a suggestion that these projects be given freedom to import all equipment and materials needed to establish whatever projects the companies undertake as well as freedom to import primary materials not available at home in order to put their projects into operation. Exemption from customs fees in importing the required materials for production pertaining to these projects has also been granted, together with exemptions from all kinds of taxes for a period of 7 years from the date of initial operation of the projects belonging to these companies.

These advantages are clear. The presence of the public sector to a modest degree in these projects is for the purpose of supporting the companies, facilitating their operations, and opening all the doors for them to carry out the tasks laid upon their shoulders. Therefore, efforts now are to develop productive activity, encourage the private sector to carry out the role mandated in the economic and social development plans, and encourage the Arab sector to bring in its money and invest in Syrian-Arab projects. Law 348 grants the overseas investor, whether Syrian or Arab, the right to various guarantees specified by Arab agreements. In addition, he has the right to withdraw the yield on the funds he has in Syria as well as the right to return his capital abroad during a fixed period of time related to the costs of the project in which he invested his capital.

#### Raising Prices--After Studying Them

[Question] Why have the prices of certain materials recently been raised in Syria?

[Answer] As for the rise in the prices of certain basic materials, it was accompanied by a deep and careful study of the prices of these materials and of the entry of workers into Syria, in addition to the change that has taken place in wage policy.

Dr al-'Imadi said that the price of some materials had been set a long while ago. A kilo of sugar cost 90 Syrian piasters in 1970. President al-Asad lowered it to the present 85 piasters, in spite of the fact that the price of a metric ton of sugar on the world market at one time reached more than \$1,000. Given the great increase in sugar consumption locally and the fact that the actual price in Lebanon and Jordan now is over 3 Syrian pounds, is it reasonable for the price of a kilo of sugar in Damascus to remain at 85 piasters? Given these prices, sugar becomes inadequately available.

The price of a can [20 liters] of diesel fuel was 20 Syrian pounds, in Turkey it sold for more than 70 pounds, and in Jordan at several times its price in Syria. It was imperative to review these prices and lighten the deficit resulting from the price support for these commodities. In return,

a special monthly compensation was allocated to state workers, who make up the great mass of the workforce. They are paid in cash to compensate for this increase. The effect of the price increase has therefore not had an impact on state workers, especially since President al-Asad has decreed a salary increase for state workers at various rates averaging 20 percent. The increase in question is in addition to the special compensation for increased prices.

[Question] What about workers other than those in state agencies? Has any unfairness fallen on them?

[Answer] Prices have not been raised to their world levels. There is still support for them. The other classes have borne a portion of this increase. I do not think it unfair. The great mass of workers work for the state, and their income can be changed only by a decision of the state. As for the salaries and incomes of workers in the private sector, they are flexible and subject to the balance of supply and demand. Their wages had been constantly moving upward, making them higher than the wages of state workers.

#### Restraining Government Expenditures

[Question] What about the increasing inflation?

[Answer] There is a policy of restraining or limiting government expenditures, together with a nonexpansion of current expenditures. This is a fundamental starting point for fighting inflation, but it is not a sufficient measure. The real treatment comes with increasing production and exports and increasing the supply of goods and services. This is the area to be focused on next. It will lead to a lowering of prices through a long-range program.

[Question] One notices that real estate and apartment prices have doubled 100 percent in a single year. And automobiles, too--their prices go up even after a year of use, which is the reverse of the natural development of prices. What is the reason?

[Answer] These phenomena are what have caused us to focus on a policy on production, opening the way for new private-sector projects and consequently absorbing the surplus liquidity available to the public by clearing the way for agricultural and industrial investment. This will direct funds toward investment in these activities, and away from their current direction toward speculation in land, real estate, and automobiles.

#### Arab Fund

On the subject of his evaluation of the experience of the Arab Fund and his expectations for the coming period under the leadership of 'Abd-al-Latif al-Hamd, the fund's newly elected president, al-'Imadi said that the efforts of the workers in the fund, the members of the board of managers and of the board of governors, and the support of the state of Kuwait, as represented by his highness, the amir of the country, and by various Kuwaiti agencies, have had a great impact on the achievement of what has been possible until now.

Al-'Imadi especially commended Minister 'Abd-al-Rahman al-'Atiqi and Shaykh Muhammad Abu-al-Khayl, finance minister of Saudi Arabia, for the support they have given to the fund. He said that the fund has proved the ability of an Arab nation to mobilize resources in the service of the Arab homeland. Its capital has doubled from 400 to 800 million Kuwaiti dinars, its loans have increased to approximately 670 million dinars, and it has come to have at least 10 projects in each Arab country. One of the loans has even been made to the occupied territory, for the first time in the history of the fund and of other funds. Ninety percent of the money advanced by the fund has gone to joint Arab projects, and in this way the fund has proved its nationalism and that it is a tool of development that expresses the principle of Arab joint responsibility and solidarity in development.

Al-'Imadi said that what the leadership seeks to accomplish now is much greater than what it has already accomplished. The new leadership, in particular, has broad experience. It was the first to begin Arab development work, since the Kuwaiti fund was the first Arab fund to be established in the Arab states. 'Abd-al-Latif al-Hamd has broad experience in this field. His well-tested international and Arab contacts and his membership in or leadership of a number of international economic councils will enable him to give the fund real support.

Al-'Imadi expressed his belief that the fund is not now in need of renewing its resources, since it is programmed to continue its operation indefinitely at a minimum of 100 million Kuwaiti dinars a year.

Al-'Imadi advised that the fund's money be directed toward implementing projects by Arab hands. This would create a real development movement, for Arab money would not leave the region as it does now, when foreign companies in the end get hold of the fund's loans as the price for implementing the projects. The goal of this is to keep Arab wealth within the Arab homeland, so as to gain a twofold and impressive effect from expenditures on development activity.

[Box on p 11]

#### Sidenotes

Al-'Imadi said that the real population of Syria is greater than the published figure, reaching 13 million people, while the official statistics show it as just above 10 million. This means that the efforts of the private and public sectors are needed to respond to the existing expansions.

Al-'Imadi mentioned that he is ready to study the obstacles that returnees to Syria from the Gulf states encounter in importing their household effects--if there are such obstacles--in the knowledge that there are current easements for such cases. There is nothing new in relation to automobiles.

12937/13167

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SYRIA

OPPOSITION ATTEMPTS TO REGROUP

Kuwait AL-MUJTAMA' in Arabic 15 Oct 85 pp 28-30

[Article: "What Point Has the Opposition in Syria Reached? Syrian Embassies Receive Clarification Indicating That Amnesty Issue Raised by Interior Ministry Was Only Entrapment Operation"]

[Text] When the various security forces in Syria announced in February 1982, after striking their well-known blow at the city of Hamah, that they had finally done away with the Islamic fundamentalists, were the Islamic fundamentalists really done away with there?

At that time, some parties observing the Syrian domestic situation doubted the power of the various security organizations to do away with the Islamic fundamentalists headed by the Muslim Brotherhood. Only a short time later, the Syrian interior minister surprised the world by inviting the Muslim Brotherhood to return to Syria. The following question therefore presents itself:

Why is the Syrian minister inviting the Muslim Brotherhood to return to Syria and promising it a general amnesty? Observers have mentioned a number of possibilities, among them:

1. The regime's desire to abort the Muslim Brotherhood movement and to make it melt away inside Syria amidst the contradictions of the existing society;
2. The regime's desire to spread disunion in the ranks of Syrian Islamic fundamentalists in means of such an invitation; and
3. The regime's desire to rid itself of secret operations which the Islamic fundamentalists have been carrying out in Syria and which the regime has never publicized.

Some observers have taken the position that all these possibilities were among the purposes of the Syrian interior ministry. It did not escape the observers that the invitation came at a time of an intensifying struggle for power within Syria, not to mention Arab dissociation from the Damascus regime for many reasons, most importantly the regime's unconditional support of the Iranian regime against Iraq and the Gulf.

## So-called Amnesty

Only a few days after the Syrian interior minister's invitation, Syrian authorities circulated to all their embassies a clarification in which they explained their intentions on the question of the Muslim Brotherhood's return and amnesty. AL-MUJTAMA' has obtained the text of the so-called amnesty circulated to the embassies. It was issued by the Interior Ministry of Syria on 25 January 1985. Here is the text:

### Clarification of the Syrian Interior Ministry's Communique of 25 January 1985

1. The announced communique does not mean a general amnesty for the Muslim Brotherhood. Instead, it is a proposed amnesty specifically for those who we feel somehow became involved with these terrorists but who did not commit criminal acts (murder or participation in murder) and whose belief in the Muslim Brotherhood, its dubious ideas, and its mentality has been dispelled.
2. In the second stage, it includes those who took the side of those foolish people and somehow became involved in serving them, but then saw their error and completely lost their convictions. It includes them on condition that they be ready to stand beside their country against the aforementioned in a public manner without concealment.
3. The two stages are inseparable, but our treatment and acceptance of the two groups will differ. The matter will depend on how sincere we believe the applicant for amnesty to be and on the information available to us about him, information which he must know has reached us and is of sufficient exactitude. In light of this, a decision for acceptance or delay will reach him.
4. The important thing that every fugitive must know is that past actions, whatever they may have been, cannot stand in the way of an amnesty, provided that the pertinent authorities form a sufficient conviction of sincere intent and the correction of dubious thinking. However, cases of the third degree (acts of violence) involve a special reparation and will be handled between us and you on an individual basis.
5. Each person applying for an amnesty must submit a complete report detailing the circumstances of his organization from its beginning to the present moment, giving its names and not neglecting anything on the pretext that it is insignificant. He must report the stages of his life fully, mentioning the names of the persons who influenced or shared in it. He is then to set forth the reasons that contributed to changing his convictions and announce his readiness to correct the error and his possibilities of doing so. On the basis of our conviction that the application is sincere, we shall notify you of our approval or otherwise.
6. On the basis of our conviction, we may notify the applicant that he has received an amnesty without his coming immediately to the country, if he is involved with work or otherwise, on the understanding that he will set a time for coming, even if only on vacation, to settle the obscure matters.

We are eager to provide an opportunity to all who made mistakes to correct them, provided that a sincere intention be present. If the returnee violates his promise in the future, there will be no intercession on his behalf. Decree 49, which remains in force, will be applied to him, since there is no room for the Muslim Brotherhood in the life of the country.

8. The report of the application for amnesty will, in case of acceptance of his application, be considered as a belated withdrawal from the group. He will not be held accountable for anything up to its date, provided that the sincerity of his promise be unshakable.

Please circulate this, and deliver to the Intelligence Branch the applications that are presented and questions that arise. You will be apprised of an answer from us or a clarification where necessary, so that the person in question may be notified.

[signed] Major General, head of the Intelligence Branch

#### Muslim Brotherhood's Stand

The Muslim Brotherhood's stand on the regime's invitation, as expressed through the communique of the Interior Ministry and through intermediaries who conveyed the regime's wish for conciliation with the Muslim Brotherhood, is clear. Although mindful of the regime's designs, the Brotherhood asked the regime to show its good intentions in practice and unconditionally release all Islamic fundamentalist prisoners from its prisons. When the regime did not carry out the demand, the Brotherhood's response was to reject the regime's invitation, especially since the purposes of the invitation were well known, having been revealed by the clarification circulated to the Syrian embassies abroad.

On the other hand, a few individuals affiliated with the al-Tali'ah [the Vanguard] Organization responded to the invitation, only to land in prison. The Brotherhood's communiques and publications reveal how those few individuals were treated by the regime.

#### What Is the Brotherhood Doing?

If one goes back to the documents and publications coming from the Muslim Brotherhood organization in Syria, one grasps their true significance, which is that the activity of the opposition in Syria has not for a moment been interrupted. Even military activity is still going on. The ruling institutions in Syria, however, are extremely secretive about the matter. Some of the operations discharged by military activity during the last few months include:

-- Blowing up an annex building belonging to the ruling party in Damascus, between al-Abbasiyin Stadium and Suq al-Khudrah, using a 20-kg explosive charge of TNT;

-- Blowing up the offices of the Syrian News Agency, SANA (the Iranian government news agency was the first to carry the news); and

-- Blowing up a large military gathering that had been assembled from groups close to the regime on the occasion of Army Day, with over 150 people killed in the explosion.

There were other military operations, but there is no room to publish them in this small space.

As for informational activity by the Muslim Brotherhood in Syria, it appears to be well organized. The organization issues a number of publications, including:

1. AL-NADHIR [THE WARNER], most recent issues published as No 84,
2. AL-MUJAHID [THE FREEDOM FIGHTER], a publication issued by the education apparatus, with issue No 34 having appeared,
3. SURIYA FI AL-SIHAFAH [SYRIA IN THE PRESS], a monthly news publication, with No 18 being the most recent issue,
4. NASHRAT AL-SIHAFAH AL-YAWMIYAH [THE DAILY PRESS REPORT], a publication that examines what is published about Syria by Arab and world information agencies,
5. Also, a series of books issued by al-Nadhir Publishing House on notable Islamic propagandists from various countries: Imam Hasan al-Banna, Dr Mustafa al-Siba'i, etc. Al-Nadhir Publishing House also publishes the works of Islamic propagandists. Among its latest publications is the book, "Al-Jannah wa Sifat Ahl al-Jannah" ["Paradise, and the Description of the People of Paradise"], by the martyr-shaykh Muwaffaq Sirjiyah. The book was No 27, and it came out in Ramadan 1405 [May/June 1985].

#### Precautions of Regime

The fact that best explains the regime's repeated conciliatory invitations to the Muslim Brotherhood is that of fear. It is fear that caused the regime to establish numerous intelligence agencies. There are more than 10 of these huge agencies, and they consume a large portion of the state budget. Among them are:

1. State Security, or General Intelligence
2. Military Intelligence
3. Political Security
4. National Security
5. Foreign Intelligence

6. Air Force Security Administration

7. Republican Palace Intelligence

8. Defense Companies Intelligence

All these agencies still carry out executions. Recently, yet another massacre was committed at Shaykh Miskin prison in the Hawran region, where 50 prisoners who had protested bad sanitary conditions in the prison were executed. Among them were some imprisoned army officers.

#### Renewed Activity

Given the fact that the countermeasures by the security forces and agencies are what has come to the world's attention since 1979, has the strength of the Islamic opposition or of the other forms of opposition that seem aligned with the Islamic fundamentalists within Syria been sapped?

Those who have information about what is kept secret in Syria say that the climax of these operations came about 5 months ago in the attempted assassination of Mahir Asad, the son of the president of the republic. It was reported that one of the opposition groups put a car loaded with 200 kg of TNT at a place in the Shatura area where Mahir Asad had an appointment. The car did indeed explode, and 13 people close to the intended target were killed. Mahir Asad escaped because he was late for the appointment with the attempt taking place before his arrival.

#### Demonstrations

In the midst of this atmosphere pointing to no relaxation in the government's stand on the hostages and prisoners in the prisons, the women of Damascus, mothers and wives of the prisoners, organized a demonstration. This fact was reported by some news agencies in Europe and was described by London radio on 30 July 1985. The women chanted slogans demanding the release of their sons and husbands. One of the authorities tried to quiet the women by promising to release the women's husbands within a week. When this did not take place, the women repeated their demonstration in the direction of the Presidential Palace. However, the security agencies suppressed the demonstration and arrested many of the women.

On the other hand, a woman citizen, Samiyah Ahmad Kayyal, a resident of the city of Hims, gave a lecture in a secondary school, explicitly condemning the regime's treatment of the people. The intelligence agencies arrested her, and she was executed for the lecture.

#### What Next?

This is the charged atmosphere in which Syria is living, now that the stand of the Islamic opposition and of its allies has become clear. What, then, is to be expected for this brother state whose regime is living in the midst



of an unenviable equation? Its relations with its neighbors are overwhelmingly negative. If Syria's relations with Iraq, Jordan, and the PLO are well known, its relations with Turkey are no less bad, especially since the Turks have become convinced that Damascus regularly trains groups from the terrorist Armenian Army, which attacks Turkish institutions and diplomats. There have been reports that the mutual troop concentrations on the Syrian-Turkish border would not have taken place were it not for the Syrians' aid to the Armenians. Then there was the smuggling out, with Syrian assistance, of the Turkish Nusayris from the Iskenderun-Antakya brigade to the Lebanese Biqa' Valley, an action that provoked the Turkish politicians against the Syrian government and that still continues to have its effect.

While no observer can completely foresee Syria's possible future condition, many observers are asking into whose lap Syria will fall.

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SYRIA

BRIEFS

AL-YARMUK PROJECT STARTUP--Syria has started exploiting the al-Yarmuk valley, which is considered one of the most important agricultural projects in the Dar'a Governorate situated in the south of Syria. The reclaimed areas total 30,000 hectares, and this is the project's first phase. The authorities have provided water, have reclaimed the land of a part of the valley, and have decided to farm it with vegetables and citrus, while it has reclaimed another portion 400 hectares in area and has decided to farm that with bananas. The authorities concerned have started to establish an irrigation system in the region to guarantee the irrigation of crops. The cost of this stage is about 250 million pounds. The second stage of the al-Yarmuk project will require the provision of additional water to reclaim about 61,000 hectares. [Text] [Paris AL-MUSTAQBAL in Arabic 28 Sep 85 pp 41-42]

CSO: 4404/126

5 February 1986

## PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

## LAND TRANSPORTATION BETWEEN NORTH, SOUTH DISCUSSED

Aden 14 UKTUBAR in Arabic 24 Sep 85 p 5

/Article by Kawthar Shadhili/

/Text/ As part of the efforts by the leaderships of the two halves of our single great country of the Yemen to reunify it and gather together the severed members of this divided nation, they have worked hard, and are still working hard, at unification efforts to unify all material and spiritual activities and capabilities so that they will all pour into one channel, to provide the economic, social, scientific, and cultural elements so as to realize a unified state with strong foundations so that our economy, for example, will become strong, strengthened, firm, and integrated, in view of the fact that it is the essential pillar that determines the identity of this system or that. It is also the material basis to any society, so in this framework the leaderships of the two halves of our beloved country have worked to coordinate the efforts of economic establishments that have a joint nature, and a number of joint economic companies and establishments have been founded in the two halves. One of these companies is the "Joint Yemeni Land Transport Company" which was, and still is, playing a prominent role in organizing operations to transport citizens as well as goods between the two halves of the single nation. It should be pointed out here that this company was established in 1980. Its capital at that time was 50 million Yemeni riyals or its equivalent in Yemeni dinars distributed equally between the governments of the two halves, on condition that the company's headquarters be in the city of Aden, with a main branch in the city of Sanaa. The company has a board of directors comprised of six members, three of whom, including the chairman of the board, represent the southern half, and three of whom, including the general director, represent the northern half. In order to find out more about the most important accomplishments and achievements that have been accomplished since it was founded until the present time, we met with Comrade Ahmad Salih 'Abduh, deputy transport minister, who answered all our questions about the company, its activity, its accomplishments, and the developments that it has experienced.

He said: From the figures available from records of the company's activity, it is clear that it has been able to achieve good results, which bodes well of the possibility of achieving further development, which will serve the

masses of the Yemeni people. In the area of transporting passengers, the continuous growth in the number of passengers that the company has transported between the two halves is obvious, as is the number of bus trips to meet the demand for transportation, since the number of passengers transported in 1982 was 9,505, and in 1983 it was 10,612, and in 1984 the number was up to 16,170. During the first half of the current year of 1985, their number reached 7,042. But if figures are to be given about the number of trips since 1982, we can summarize them as follows: In 1982, the number of trips was 267, and that increased in 1983 to 367 trips. The year 1984 also saw a noticeable increase, since it was up to 455 trips, while the number of trips on the company's buses during the first half of the current year of 1985 was 198.

As for the area of transporting goods, Comrade Ahmad Salih 'Abduh, deputy transport minister, explained that the company began to put its trucks in operation as of the month of September 1983, and as of December of the same year it had derived from that an income of 22,643 dinars. During 1984, the company's trucks made 242 trips, transporting 6,039 tons and making 111,525 dinars. As for the first half of this year, the trucks made 144 trips, transporting 792 tons of diverse goods and 70,000 cylinders of butagas and making 44,632 dinars.

The comrade deputy minister stresses the great and direct care and attention that the company enjoys from the founding association that includes the ministers of transport of the two halves, in view of the fact that the company is considered to be one of the fruits of unification between the two halves, and he added: The ministers of transport in the two halves are continuously following the course of the company's activity, and they are working to remove the obstacles that stand in its way so as to create the right circumstances for it to achieve the goals for which it was founded, on the one hand, and to present it as a good example to be followed in the area of joint economic activity between the two halves on the other.

Why Aden-Ta'izz?

It has been observed that the company organizes passenger transportation between Aden and Ta'izz and vice versa, but it does not operate other lines to various regions of the two halves. How do you explain the reasons for that? Also, how are goods transported?

Comrade Ahmad Salih 'Abduh, deputy minister of transport, answered this question by saying:

It must be mentioned that the founding agreement has limited the goals of the company to transporting goods and passengers between the two halves and not within each half, because there are two public establishments for land transport in the two halves that carry out internal transport in them. He added that while passengers are presently being transported

between Aden and Ta'izz and vice versa, that does not mean that the company will not bring new lines into operation between the two halves, inasmuch as that is tied to economic activity with respect to the increase in the number of passengers, the condition of the roads, etc.

The company should not hesitate to operate new passenger transportation lines between the two halves whenever the right circumstances have been created for that. Concerning the transport of goods, the comrade deputy minister explained saying: The picture differs somewhat here, since the company's trucks transport goods between any two points in the two halves according to the demand for the area or areas to which the company transports goods, and in fact in the past the company has transported goods to and from numerous regions in the two halves, such as al-Hudaydah, al-uhalla, Sanaa, Ta'izz, etc.

#### The Company and the Transport of Goods

Doubtless you are well aware that there are trucks and large cars that do not belong to the company which transport goods between the two halves. Why does the company alone not take over the task of transporting goods and consolidate this activity under its control?

Comrade Ahmad Salih 'Abduh stated the following: The founding agreement clearly stipulates that the company alone, and no one else, shall transport goods between the two halves so that the transport of goods will proceed continuously and as expediently as possible. But because of some objective difficulties, the company has so far not been able to take over the transport of goods between the two halves by itself. However, continuous efforts are being made to remove those difficulties, since the founding association has confronted this problem and has studied the circumstances surrounding it. It is hoped that in the future positive steps will be taken in this respect that will enable the company to expand its activity.

After this meeting with Comrade Ahmad Salih 'Abduh, we felt it was a good time to salute all the efforts being made for the success of the tasks and goals of the Joint Yemeni Land Transport Company, and to call for more to be done to develop, improve and continue the activities of the company.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

TRADE COOPERATION WITH NORTH DISCUSSED

Aden 14 UKTUBAR in Arabic 26 Sep 85 p 5

/Article by 'Ali Muhammad 'Abdallah/

/Text/ Among the unification committees working on joint, integrative projects between the two halves, the committee for commercial trade has been one of the diverse committees active in the field of expanding trade relations and creating a joint Yemeni market over the long term. In the area of the process of commercial trade between the two halves of the nation, it has facilitated the entry of Yemeni goods of Yemeni origin into the markets of the two halves in order to create integrative goods that are given protection from competition from foreign goods. This committee has made great strides in its regular series of meetings, the latest of which was the meeting held last July.

Comrade 'Ali 'Abd-al-Karim Muhammad, deputy minister of trade and food supply for domestic trade affairs and head of the committee for commercial trade from the southern half of the nation, evaluates the activity of the joint committee. He says:

In order to understand the level which the committee has reached in the process of commercial trade between the two halves, one must know about the starting point in order to evaluate this level, along with knowing about the influencing factors that raise, either by increasing or remaining stable, this level according to the nature of the factors operating in this respect. By that we mean the extent of the availability and diversity of goods of Yemeni origin, the elasticity of their prices, the size of the demand for them, the methods of regulating their trade, and to what extent the factors of integration occur in these goods to cover and fill the needs of the market in the two halves, in view of the fact that the degree of similarity in goods creates essentially an element of conflict, since similarities in the production of a commodity or several commodities within the framework of the Yemeni market make it difficult to absorb these goods, because what is produced here and there in this or that amount as a flexible basis for demand can be depended upon for mutual trade. It takes control of the prevailing demand. This applies to some of the industries that produce similar products, such as plastics products, rubber sandals and some of the industries. On the other hand, the absorptive potential between the two halves still has promising horizons,

especially with respect to agricultural commodities and their role in developing the volume of trade between the two halves. With the framework of its regular meetings, the committee also came to define the bases, rules and mechanics which would give impetus to the process of trading goods of Yemeni origin between the two halves, increasing the volume of trade and removing the obstacles standing in their way. The committee concentrated its attention on the volume of the surplus existing in each of the two halves, and on facilitating the task of exchanging it whenever the opportunity presented itself to do so, on condition that the trade be given sufficient protection from foreign competition. In understanding the nature of its task and role in working to provide the right climate and assurances that would guarantee that the process of commercial trade would increase equally between the two halves, this committee, in its regular meetings, has arrived at a number of issues that will doubtless help to activate trade and increase the volume of commercial exchanges between the two halves while relying on previous resolutions that support the process of transporting goods of Yemeni origin, and offering many advantages to facilitate this process of transportation, such as exemption from customs duties on agricultural goods of Yemeni origin, exemption from import licenses, and establishing branches of national establishments in Aden and Sanaa. Their job would be to work towards facilitating the task of transporting goods of Yemeni origin, and thus to work towards distributing them so as to ensure an increase in the volume of commercial trade (in quantity and kind). The committee also arrived at a preliminary agreement on protecting Yemeni products in the two halves, their surpluses, and their trade from foreign competition.

#### Differing Rates in the Trade Process

Regarding the rise in the level of the volume of commercial exchange between the two halves of the nation, figures and statistics reveal the level of that volume and the exchange list that includes the manufactured and agricultural commodities that are traded between the two halves. The southern half exports household utensils, water hoses, sponges, cigarettes, light footwear, and agricultural produce in accordance with the seasons, and it imports from the northern half biscuits, sweets, plastic utensils, and agricultural products according to the seasons. Exports of butagas cylinders enjoy a large portion of the volume of commercial trade between the two halves.

The table shows the value of the volume of imports and exports between the two halves from 1980 to 1984, in thousands of dinars:

<u>Year</u>	<u>Imports</u>	<u>Exports</u>
1980	6,227	1,740
1981	7,035	1,602
1982	6,950	1,602
1983	7,243	2,088
1984	8,927	1,247

In analyzing the figures pertaining to the lists of exchanged goods that are reflected in these figures, it is clear that total imports, and thus the balance of trade between the two halves, has not yet attained an equal degree, since imports from the north exceed what is exported by several times, something which makes it necessary to work towards increasing exports to markets of the northern half and provide the facilitations necessary for that in order to remedy permanently the unbalanced relationship in the rates of trade between the two halves.

#### Results of the Latest Agreement

Within the framework of its regular meetings, the committee on commercial trade, which met in Aden in July 1985, decided to concentrate its meetings on following and laying down practical steps, in addition to defining its methods of operation which are to give impetus to the process of commercial exchange and to increasing its volume and diversity so as to ensure the implementation of all decisions taken in past years and to provide sufficient protection for the goods.

In its latest meeting the committee brought up, in a sincere brotherly spirit, the utmost importance of the role of trade and the need to strengthen and broaden its horizons between the two halves. In this respect, it agreed on adopting the following:

--To make arrangements to open branches of commercial establishments in the two halves.

--An agreement on making the necessary banking arrangements between the central banks of the two halves in order to facilitate and activate commercial trade.

The committee also urged the importance of giving priority to the Yemeni Land Transport Company in transporting goods between the two halves. On another matter, the committee completed its discussion of measures pertaining to setting up a Yemeni agency for standards and measurements.

12547/12276

CSO: 4404/110



PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

AGRICULTURAL COOPERATION WITH NORTH DISCUSSED

Aden 14 UKTUBAR in Arabic 27 Sep 85 p 5

/Article by 'Ali Husayn/

/Text/ These days our Yemeni people are celebrating the 23rd anniversary of the 26 September revolution, which did away with the reactionary regime of the imamate in the north of the nation, and the 22nd anniversary of the 14 October revolution, which expelled the English occupation from the south of the nation and opened up vast horizons for the development and prosperity of our people.

Amidst these celebrations, efforts are continuing to deepen the spirit of fraternization between the two halves on the road to realizing the goal which our people seek, which is to achieve Yemeni unity through joint coordination in diverse areas. In the area of agriculture and fishing, joint efforts are continuing in order to achieve self-sufficiency in fish and agricultural products and commodities through expanding the fields of cooperation and coordination in that which agrees with the wishes of the Yemeni people.

In the agricultural field, many joint projects between the two halves have been put into effect during the period since the first meetings between the joint committees, which held their first meeting in July 1984.

In order to find out what joint agricultural projects had been implemented, we met with Brother Husayn Ahmad Sa'id, deputy director of the department of planning in the Ministry of Agriculture and Agricultural Reform and coordinator of the joint planning committee, and we put our questions to him on this matter.

Outcome of the Joint Committee Meetings in the Agricultural Field

/Question/ What are the joint agricultural projects between the two halves of the nation that have been implemented since meetings between the joint committees began?

/Answer/ As a result of directives from the political leaderships in each of the two halves, and in accordance with the resolutions of the Yemeni Council and the joint ministerial committee, the first meeting of the joint committee for coordination between the two halves in the agricultural field was held in Sanaa from 11 July to 19 July 1984, and the second meeting was held in Aden from 28 October 1984 to 5 November 1984, and it agreed to implement the following projects:

First, in the area of agricultural research:

1. It was agreed to form a higher committee for the two halves for agricultural research that would meet every 3 months. The first meeting was held in Ta'izz from 28 February to 5 March 1985, and it dealt with the following aspects:

a. Defining agricultural research priorities in the two halves and joint research programs in the following areas:

Research on crop protection, research on field and horticultural crops, research on soil and water, research on agricultural economics, research on agricultural machinery, and research on forests and pastures.

b. Agreement was reached on forming specialized technical committees according to the fields of research.

These committees would do the following:

-- Collect and verify previous data in all the fields.

-- Exchange reports and programs regularly through the higher research committee.

-- Lay down detailed programs to monitor available capabilities that are compatible with existing activities.

-- Put together the results of joint research in special reports.

-- Work towards organizing the process of exchanging plant samples and materials regularly and quickly so as to benefit from them

-- Publish a scientific agricultural journal in Yemen's name, north and south, under the higher committee for agricultural research. It is to be put out once a year, and the amount to be set aside for it was determined, with each half contributing a share.

Secondly: Production and agricultural services

1. A joint request was made to the United Nations Development Program to finance an economic feasibility study of a banana project in the south for meeting the needs of the north.

2. A joint request was made to the United Nations Development Program to finance the completion of an economic and technical feasibility study of a project for producing grapes in the northern half to meet a portion of the needs of the southern half.

3. In the area of developing chicken production, the two sides agreed to do some of the work relating to defining the characteristics and bases for preparing an economic feasibility study of a joint chicken project. Agreement was reached on taking the following steps:

a. A joint request was submitted to United National Development Program to finance the preparation of an economic and technical feasibility study on setting up a joint chicken project.

b. The responsible parties in the two halves are to begin to gather the data necessary for preparing the study.

c. To benefit from opportunities to study at the veterinary secondary school in Sanaa, beginning in the 1985-86 year.

d. To facilitate the marketing of chicks from the southern half to the northern one.

4. With respect to the exchange of plants between the two halves, the southern half received the following from the north:

<u>Type</u>	<u>Number</u>
Peach	2,500 plants
Grape	10,000 plants
Coffee	4,220 plants
Pomegranate	1,500 plants
Strawberry	300 plants
Lemon	500 plants
Orange	150 plants
Tangerine	50 plants
Guava	3,000 plants

The northern half received the following from the south:

<u>Type</u>	<u>Number</u>
Banana	2,782 suckers
Mango	870 plants
Clover seed	50 kg
Improved wheat seed	200 kg
Improved maize	200 kg
Forage grass sprigs	1 ton
Tobacco seed	50 grams

During November and December the following will be exported to the northern half:

<u>Type</u>	<u>Number</u>
Mango	915 plants
'Abbasi	200 plants
(bidan) seed	5 kg

As for the activity of marketing fruits and vegetables it is ongoing, and the exchange of agricultural products is going on continuously.

#### Animal Production and Veterinary Science

1. A campaign against rinderpest was launched in the southern half in December 1984, and it ended in January 1985. Then the second phase of the campaign to combat rinderpest was begun.
2. The standardization of identifying marks on cattle and sheep in the two halves was coordinated.
3. Two of the cadres from the northern half were trained in the area of artificial insemination.
4. Two of our cadres were sent to Sanaa for training in the field of animal health.
5. An observation station was set up in the Qa'tabah district by us.

/Question/ Last July the third session of the ministerial committee for agriculture and fishing held meetings in Sanaa. Of the joint projects that were decided upon, which are the most important?

/Answer/ The joint ministerial committee for agriculture and fishing discussed the following agricultural and fishing projects:

First: Agricultural production.

a. Agricultural research

It was determined that it would be necessary to publish a Yemeni agricultural research journal, and the research committee of the two halves was given the task of preparing a complete report on this matter to be sent up to the joint ministerial committee.

It stressed the need to expedite the meetings of the specialized technical research committees, that they hold their first meetings this September, and in fact the delegation has arrived.

Animal Production and Services

The committee determined that the planning organizations in the two halves should follow up on joint requests presented to the United Nations Development Program on preparing and financing studies of joint banana, grape, and chicken projects between the two halves.

It decided to submit a joint request to the United Nations Development Program to prepare a study of national campaigns against infectious agricultural diseases, and to look into ways of financing them. It was agreed to present a preliminary proposal from technicians concerning the elements of the study and the goals and components of the project.

It decided to submit a joint request to the United Nations Development Program to prepare a study of a joint project to increase seed in the two halves and study ways of financing it.

It decided to submit a joint request from the two sides to the international Food and Agriculture Organization (FAO) to make a detailed study of the nutritional situation in the two halves and to make proposals and offer advice on it.

It decided to develop two nurseries specializing in fruit trees from among the existing nurseries in the two halves, on condition that technicians in agricultural research in the two halves submit a preliminary proposal on the types and varieties that are suitable for growing, and that work on development be started so as to complete the exchange of proposals by the beginning of 1986.

The two sides determined to complete the exchange of plants and seeds that had been agreed upon, on condition that additional needs be determined by the two sides at a later date.

It was determined to complete the compilation of lists of agricultural diseases as well as lists of field and horticultural crops during what remains of this year, and to form a specialized committee from each of the two halves to study them and publish them in a single booklet.

The two sides stressed the need to look into standardizing the crop quarantine law, and to complete the study on the laws whose standardization has been proposed. They are the law on alternating pesticides, the nursery law, animal quarantine, and protecting animal resources.

It was determined to complete the measures being taken to organize the first national symposium on crop protection so as to hold it at the end of 1985.

It agreed to hold the potato symposium during the first half of 1986 in the southern half, with participation by our brothers from the northern half.

#### Animal Resources

It was agreed to set up a unified executory program to enumerate and diagnose animal diseases and ways of combatting them. Work was begun on that as of last August. It agreed on the need to exchange detailed lists of the vaccines and antibiotics being used in each of the two halves, and the possibility of standardizing them was discussed.

It was agreed to submit a joint request to the international Food and Agriculture Organization to prepare a study of a joint project to combat rinderpest and smallpox of sheep and goats, and to look for ways to finance it.

It confirmed what had been arrived at in the development committee and the agricultural committees concerning the marketing of chicks from the southern half to the northern one.

#### Development of Aquatic Resources

The two sides decided to form a sub-committee on the development of aquatic resources for the two halves.

In the area of hydrometrology, the committee decided to plan a network of hydrometric stations in the two halves, and to build stations to measure rainfall, floods and underground water.

In the area of flood irrigation, the committee will take the necessary steps to develop and intensify coordination in the area of studying and building dams and barriers to water and existing and future irrigation installations in order to increase control over the drainage of flood waters, to direct their usage, and to limit the damage they cause, especially in the valleys that are common between the two halves.

In the area of underground water, the committee will work to coordinate the studies and the implementation of projects pertaining to sources of underground water in the valleys of the two halves. The committee will also work to make a modern irrigation means generally available, and it will work in the field of maintaining and operating an irrigation network.

The committee will pursue areas of responsibility for ensuring the establishment of a system to maintain and operate an irrigation network, and it will cooperate in the exchange of data and expertise and in training workers in this field in each of the two halves.

## Fish Production

It was decided to experiment with fiber glass boats, whereby the southern half would provide two to three boats with their crews for a period of 3 months, and the northern half would cover their operating expenses.

It was decided to form a sub-committee for fish resources to pursue aspects of coordination in this area.

It was determined to do a joint study of fish and shrimp fishing in the life of the northern half, and to carry out reciprocal fact-finding visits.

## Training and Exchange of Expertise

In the area of training and the exchange of expertise:

Two statisticians from the southern half were sent for training in statistics in the northern half last August.

It was agreed the specialists in the field of planning in the northern half would visit the southern half of the nation during the latter half of this year to acquaint themselves with methods of preparing production and investment plans for the agricultural sector for the third 5-year plan.

It was agreed that the director of the department of information in the northern half and the deputy director of the department of research for extension affairs would exchange visits at the beginning of the upcoming year.

It was agreed that the southern half would provide the northern half with four opportunities for applied training in the field of extension and agricultural information during 1986.

The committee will prepare a schedule for visits by authorities in the two halves, and it will also provide training for technicians from the two halves.

The southern half of the nation agreed to train some cadres from the northern half as follows:

1. Two people for 6 to 8 weeks in commanding fishing boats.
2. Two people for 6 to 8 weeks in the maintenance of fishing boats.
3. Two people for 6 to 8 weeks in freezer maintenance.

The two sides agreed to exchange fact-finding visits lasting from 7 to 10 days to installations in the two halves in order to see how they are operated and run.

The two sides agreed that the ministerial committee for agriculture and fishing would hold its next session in Aden in early 1986, and that the sub-committees would submit prior reports on what had been done in the area of coordination and programs for future work.

12547/12276

CSO: 4404/110



AFGHANISTAN

REBEL LEADER DISCUSSES STRATEGY, OBJECTIVES

DW031106 Hamburg STERN in German 2 Jan 86 p 20

[Interview with Gulbuddin Hekmatyar, Afghan rebel chief and leader of the Hezbi-Islami party, by correspondents Almut Hielscher and Jochen Schildt, date and place not given]

[Text] STERN: What are the objectives of your party?

Hekmatyar: Once we have booted out the Russians and the Kabul puppets regime we will build the Islamic Afghanistan. Islam is capable of solving all individual problems of life.

STERN: Are mixed schools envisaged?

Hekmatyar: No. Girls will be taught separately. This is in keeping with our tradition.

STERN: What role do the women play in your struggle?

Hekmatyar: The Koran provides that men and women are obligated to fight against the enemy. Even though you do not see the women here among us, they are present.

STERN: In the past few years the government in Kabul restored or newly built hundreds of mosques. Chief of State Karmal himself often goes to pray...

Hekmatyar:...Indeed; because our resistance is so great Karmal now pretends to be a religious Muslim.

STERN: You have been fighting against Kabul for six years now. Experts believe that nobody can win this war. What strategies do you have to overcome the deadlock?

Hekmatyar: The new all-party coalition strengthens us. We would have won long ago if the Russians had not constantly increased their troop strength; there is practically no Afghan army. We are fighting face to face with the Russians. Lately we have also been attacking the military bases of the

Soviets. In the mountains we build caverns and dugouts in which we repair captured tanks and weapons. We are also not in the position to defend these bases. We will win. The losses of the Russians increase, the morale of the Soviet soldiers is next to nil.

/12913

CSO: 4620/17

AFGHANISTAN

TWO GULBUDDIN MEMBERS SAID SENTENCED TO DEATH

LD282006 Kabul Domestic Service in Dari 1600 GMT 28 Dec 85

[Text] Two criminals and robbers of Salang highway [The highway linking Kabul to the border of Soviet Union], who had belonged to the Golboddin terrorist band, were sentenced to death at a open trial recently held in Pol-e Khomri City.

The judicial panel of the DRA Special Revolutionary Court, in holding an open broad session attended by hundreds toiling citizens of Pol-e Khomri, judicially considered the case of two armed members of Golboddin, Fayz Mohammad son of Niaz Mohammad and Jan Aqa son of Sayd Godboddin, inhabitants of anderab district, Baghlan Province.

The accused who were caught red-handed in the course of an armed clash with the security forces along Salang Highway, in Darwaza-e Khenjan region, Doshi District, had with them two Chinese Kalashnikovs and their ammunition. They, both during the investigation of the case and at the judicial session of the case, have explicitly confessed to the perpetration of terrorist actions, in particular armed robbery on the Salang Highway where they plundered the contents of the vehicles containing government and national traders property.

In accordance with the report of BIA correspondent the judicial panel of the Special Revolutionary Court, after hearing the case of the respective special revolutionary prosecutor and giving time to the accused to read their defense, which took place in a democratic atmosphere, sentenced to death each of the accused on charges of armed uprising against the DRA and robbery, in accordance with the provision of the DRA Penal Code [words indistinct].

Two Chinese Kalashnikovs and their ammunition were also seized and impounded.

The death sentence against the convicts will be applicable after the approval of the DRA Revolutionary Council Presidium in accordance with Article 58 of the DRA Basic Principles.

/12624  
CSO: 4665/21

AFGHANISTAN

VILLAGE COUNCILS CONTINUE TO MEET PEOPLE'S NEEDS

Kabul ANIS in Dari 27 Oct 85 pp 1, 4

[Text] The Qonduz NFF [National Fathlerland Front] Provincial Council has a total of 6,634 members who are organized in 79 different councils throughout the province. From among the aforementioned councils, 14 new ones were created during the first six months of the current year with a total of 705 new members who are organized in one district council, nine village and hamlet councils and four residential councils.

During the same period the Qonduz NFF Provincial Council has introduced 62 young volunteers to the DRA training camp and it has also created a new self-defense group. As regards other activities of the above-stated council, the head of the Qonduz NFF Provincial Council stated: In order to carry out the assigned tasks, during the same period, the Qonduz NFF Provincial Council has organized various seminars composed of the chiefs and deputy-chiefs of the city councils, district, subdistrict, village and residential councils. Furthermore, for better guidance and more effective use of the abovementioned councils' activities about 1,300 propaganda pamphlets have been put at the disposal of each council. Moreover, the employees of the Qonduz NFF Provincial Council visited six city, district and subdistrict councils and evaluated their activities.

As a result of the activities of the employees of the Qonduz NFF Provincial Council the contents of 32 resolutions were duly implemented and on the level of relevant councils, the planning system was properly promulgated.

He also went on to add: According to the projected plan, during the current year on the level of Qonduz NFF Provincial Council three literacy courses were created. There are a total of 28 students enrolled in these courses, which are being taught by three teachers. Furthermore, during the same period, on the province level three family arbitration commissions and two parents-teachers associations were formed.

The above-stated source also said: As a result of the voluntary work of more than 600 individuals, for a period of one month 500,000 afghanis were earned. Similarly, during the same period two protocols for cooperation between the municipality and district council of Hazrat-e Imam and the Amu Darya (Oxus River) fortification project were signed and according to these protocols the parties will cooperate with one another in planning the security of the region, providing materials, funds and so forth.

He also added: During the current year, on the level of Qonduz NFF Provincial Council through the efforts of the relevant councils, four water-distributors were selected and 32 school-age children were introduced to various schools. Likewise, during the same period appropriate measures were taken to answer the needs and petitions of over 900 inhabitants of the region by the relevant councils. In a similar fashion, distribution of goods such as women's garments, men's and children's shirts, which have been received as aid from friendly countries were also carried out. And 50,000 afghanis from the gift-money fund were distributed among the families of the martyrs of the revolution and other needy individuals.

As regards the propaganda activities, the head of the Qonduz NFF Provincial Council stated: As a result of the organizational activities of the NFF Provincial Council and the cooperation of other social organizations, during the first half of the current year 29 discussion meetings were formed in which over 700 persons took part and they discussed the glories of our historic events. Similarly, in other meetings and gatherings, which took place with the participation of over 4,000 individuals, the goals of the party and the objectives of the NFF, the decisions and decrees of the grand tribal assemblies, the laws of local organs and other government departments were extensively discussed.

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CSO: 4665/19

AFGHANISTAN

GOVERNMENT EMPHASIZES PLANNING TO REALIZE ECONOMIC GROWTH

Kabul ANIS in Dari 27 Oct 85 p 2

[Text] The party and the government hold that one of the best guarantees for a rapid economic recovery and elimination of our country's backwardness consists of realizing precise and detailed short- and long-term plans in the area of social and economic growth. Since the more precise and attentive the economic plans are prepared and realized, accordingly the faster and better our economic growth will be in the long run and as a result, the country's backwardness will be eliminated and a favorable atmosphere for a happy and prosperous life will be restored throughout the nation.

It is based on this fundamental principle of the revolutionary party and the government which place a great significance on the role of precise planning to create a new progressive society that so far some fruitful and beneficial measures have been carried out in the country. And further, it is for the same reason that according to our present needs and requirements in various important economic, social and cultural fields that some fruitful plans have been devised and duly implemented of which we can clearly see the constructive and positive results in our personal social life.

This is a certain fact that as long as planning is not carried out on a scientific basis its implementation will face certain impediments in developing the growth of national economy. As a result of prevailing circumstances in each country the production problems and other issues pertaining to the level of productivity varies, therefore a scientific method of planning attuned to the needs of each nation is deemed to provide the best means for the economic development of the country in question. In those countries where there is a prevalence of exploitation by certain individuals, their economic plans usually revolve around the interests of a handful of self-seeking profiteers; likewise in our own country before the advent of the Saur revolution, economic planning was both theatrical and demagogic, all the economic plans and programs were devised to fulfill the interests of a handful of exploiters and high and mighties.

Such an unjust and despotic attitude did not allow an economic transformation to take place in our society and caused our country to fall far behind in its development and progress plans.

Fortunately, after the victory of the Saur revolution, particularly its new and evolutionary stage social and economic plans which were based on scientific

methods were devised and through their implementation long and positive strides were taken in order to meet the needs and interests of the masses. As a result, our production means were put at the disposal of large masses of our society who had suffered from years of serfdom and deprivation, great masses of our people became land owners and as our hard-working farmers acquired the necessary skills to run the agricultural machinery, the level of productivity in the sectors of agriculture and industry took an upward swing both qualitatively and quantitatively. Parallel with the advancement and progress of the country's economy, positive and constructive transformations took place in other areas of our life. For instance, in the government sector some very significant and fruitful economic measures were realized and their worthy results have strengthened the economy of the country.

In a national party conference, Babrak Karmal, general secretary of the PDPA Central Committee and president of the DRA Revolutionary Council stated: "As a result of a projected and gradual increase in the role and significance of the government sector and the economic planning of the country and giving further preference to the government sector, all the economic resources will be utilized in a more complete and effective manner toward general progress, material enhancement of the toiling workers, social development and buttressing of the defensive power of the country." There is no doubt that the growth of the government sector will strengthen the economic foundation of the country's agriculture and industry. It is the most fundamental means and stimulus--of course, based on scientific planning--for production, utilization and correct use of productive equipment and forces.

Following the fundamental and revolutionary policies of the party and the government, scientifically regulated plans were implemented and put into action and despite the undeclared war of the reactionary imperialists against our country through adherence to a progressive economic policy, on the one hand we have been able to thwart the sinister plots of our nation's enemies and decisively defend the country, the interests of the people and the accomplishments of the revolution, and on the other hand through use of progressive planning we have been able to take long strides in the areas of production, growth and strengthening of our national economy. By dint of such successes we have been able to fight against all the social, economic and cultural disparities and inequalities and lead our country toward a brighter horizon.

As was mentioned above, despite the extensive dimensions of the undeclared war against our country, progress of our society and development of the national economy of the DRA has been positive and assuring. For instance, a comparison of the gross domestic product and the GNP in 1363 [21 March 1984 - 20 March 1985] with those of 1357 [21 March 1978 - 20 March 1979] show a 4.7 percent and 12.9 percent increase. The national revenue from savings and consumption in comparison to 1357 had a 16.5 percent increase and the national revenue from production rose 4.9 percent in comparison to the year before the revolution. In a like fashion, the gross product of the farm sector, forestry and stockbreeding for 1357 was six billion afghanis or a 7.3 percent increase which in 1362 [21 March

1983 - 20 March 1984] this figure stood at 88.1 billion afghanis which indicated 99.5 percent of the projected plan.

As a result of the precise and clear economic policy of the PDPA, some beneficial steps have been taken toward the implementation of social and economic development plans of the DRA for 1364 [21 March 1985 - 20 March 1986]. Moreover, for further development of the government sector, economic cooperatives, active participation of the private sector, increasing the growth rate of sources of energy such as power and gas, development of light industries, coal industries and activities of government transport sector, making fit and effective decisions in order to refurbish and revive the industrial institutions and power-generating projects, irrigation, cultivation and social services, expediting the implementation process of land and water reform, increasing the farm products and export volume many appropriate steps will be taken accordingly. Of course, such successes will only be achieved by virtue of scientifically organized economic plans.

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CSO: 4665/19



AFGHANISTAN

VARIOUS VOLUNTEER WORKS PROVE GAINFUL

Kabul ANIS in Dari 24 Oct 85 pp 1, 2

[Text] The Kabul National Fatherland Front Provincial Council for the purpose of attracting the inhabitants to join the NFF, in providing them assistance, cleaning the neighborhood, in carrying out restoration and repairs and improving the quality of life in the region has provided patriotic services.

A relevant source while expressing the above statement also said: The Kabul NFF has assigned eight of its members in pertinent districts to cooperate with the land and water reform operational groups so as to indentify the farmers with little or no land.

Furthermore, 16 other members of the NFF have been introduced to the various distribution commissions of chemical fertilizer, improved crop seeds, pesticides and herbicides in order to help other relevant officials in providing and distributing needed chemical fertilizer and other necessities everyday to the poverty-stricken farmers on easy terms. Until now as a result of the activities of the aforementioned councils 370 land deeds have been distributed among as many farmers' families and similarly 240 have voluntarily applied for help to settle their land disputes.

The source went on to add: During the same period, on the level of Kabul NFF Provincial Council on three different occasions volunteer works have been carried out by over 760 members of the NFF and other social organizations which have brought in an income of 152,000 afghanis for the government and the relevant farmers.

The source also added: During the current year, the Kabul NFF Provincial Council has collected 24 petitions from the inhabitants and forwarded the same to the responsible authorities. And so far five of the above requests consisting of reactivation of the school in the village of Khajeh Chasht, installation and operation of the 200-kilowatt power transformer in Shineh village of Bagrami district, medical care or treatment of the inhabitants of the Qarah Bagh Bazaar village have been answered in positive. It is hoped that through cooperation of all the relevant department all the other requests of the people are met.

The source further stated: During the first six months of the current year, on the level of the Kabul NFF Provincial Council, six family arbitration commissions, four student-parents' commissions and two peace assemblies have been

formed and as a result of assistance provided by the above-stated commissions, with complete regard to the prevailing customs, traditions and rule of logic 14 disputes of the inhabitants have been resolved. Moreover, during the first quarter of the current year the said council in honor of the seventh anniversary of the glorious Sawr revolution, while offering its condolences to the members of the martyrs families, distributed 40,000 afghanis among the aforesaid families. Furthermore, in order to provide aid to the inhabitants of Qarah Bagh Bazaar village which suffered loss and damages inflicted by the counterrevolutionaries the said council distributed six tons of flour, one and a half tons of cooking oil, one and a half tons of sugar, 600 meters of fabrics, 500 bars of soap, and 250 kilograms of tea among the families of this village.

The source also said: As a result of the comprehensive propaganda work and activities of the pertinent groups and their clear understanding of the humanitarian goals of the party and the revolutionary government, 1,370 of the farmers and other toiling workers of various districts of Kabul Province joined the ranks of the NFF, eight persons joined the armed forces voluntarily, and 35 other individuals joined the ranks of the defenders of the revolution.

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CSO: 4665/19

AFGHANISTAN

BRIEFS

**SOPHISTICATED ARMS STORAGE REPORTED**--The Soviet invasion authorities in Afghanistan are engaged in storing sophisticated weapons in Kabul. These arms are being air-lifted from Tashkent, says an Agency Afghan Press report. Disclosing this, the Mujahidin sources said that these weapons are being used in the rural areas of Afghanistan. According to these sources, a few days earlier the Soviet troops killed 140 women and children in Paktia Province while they were migrating to Pakistan. The sophisticated weapons airlifted from Tashkent in Afghanistan contain a long-range 'zaiyov' gun. The Hezb-e Eslami sources have disclosed that this gun was introduced only six months back in the Soviet Union. The cannon of the gun is one foot long and weighs one-and-half kilo,, while it can hit at a distance of 20 kilometers. However, its range can be reduced according to the requirement of the situation.  
[Text] [Rawalpindi THE PAKISTAN TIMES in English 27 Dec 85 p 5 GF] /12913

**GDR-AIDED POWER STATION**--Kabul, 31 December, BAKHTAR--The first phase of the power sub-station project north of Kabul has been completed and it was inaugurated today. The project is one of the important projects of the Ministry of Energy of the Democratic Republic of Afghanistan. The construction and assembly works of the project were carried on since two years ago. With the completion of the sub-station, which has a capacity of 80 megawatts, considerable facilities would be provided for the existing sub-stations of Kabul and reliable energy distribution will be ensured for a section of Kabul City. The design of the project has been carried out by the Electro Technic Company of the German Democratic Republic (GDR) and the equipments of the project, worth over 3 million dollars, have been purchased from the credit of the GDR. [Excerpt] [Kabul BAKHTAR in English 0433 GMT 1 Jan 86 LD] /12913

**SOVIET-DRA FORCES ATTACKED**--Afghan Muslim revolutionaries last week launched an attack on a group of the joint Soviet and Afghan Government forces. The attack resulted in the destruction of a military vehicle belonging to the joint forces and the death of all its occupants. The attack took place in (Zandajan) in Herat. [Text] [Tehran International Service in Arabic 0700 GMT 5 Jan 86 GF] /12913

CSO: 4604/21

IRAN

CORRUPTION, WOMEN'S DRESS, BOMBINGS, DISSIDENT GROUPS DISCUSSED

Tehran ETTELA'AT in Persian 14 Dec 85 p 2

[Text] Shiraz—ETTELA'AT Correspondent—Minister of Intelligence Hojjat ol-Eslam Reyshahri, who came to Shiraz on the invitation of the family of Martyr of the Altar Ayatollah Dastgheyb, gave a press conference.

He began by saying: I have been intending to come to Shiraz ever since I became Minister of Defense, in order to study first-hand the problems of the province and those of the Fars Province General Intelligence Office. Unfortunately, the opportunity did not arise until last week when I was invited by the respected family of Martyr Ayatollah Dastgheyb to participate in a memorial gathering for him. Praise God, in the three days I have been in the province, I have seen most of the judicial and executive officials, the province governor-general, the province municipal governor-general, as well as the Shiraz Friday Imam, which produced good results for me.

Referring to the situation in the Ministry of Intelligence and its forces, he said: Most of this ministry's investments are in committed, sincere, and revolutionary forces, who have gained experience in combatting the counterrevolution since the triumph of the revolution, without serving in the world's intelligence organizations and benefitting from their experience.

He added: These committed forces have created their own experiences and new techniques. I believe that although the intelligence system of the Islamic Republic is a new one, in the short period of its existence it has gained much experience with which to confront the plots of the world's superpowers and intelligence organizations. Of course, the issues connected with this cannot be discussed. The only thing that can be said is that the Ministry of Intelligence has succeeded in making investments to train its specialist cadres, and for this purpose the Ministry of Intelligence will operate an intelligence college. Of course the training system in this college is being designed. God willing, in the next few months the intelligence college training system will be completed and it will begin its work.

The Minister of Intelligence discussed the return of mini-group members to the kindly embrace of the Islamic republic. He said: I hope we will be able to present statistics by the end of the year on the repentant members of these mini-groups, but in general it may be said that the return of the mini-groups has been very good this year. Recently, about 2,000 persons attended a seminar for repentant persons from Kordestan. These people have returned in the same way in other provinces.

He said: The Islamic republic treats those who have truly repented and are not doing so for tactical reasons very well. Of course this matter may not have been completely thought through yet, but since we took this responsibility we have been thinking of how to draw repentant persons, and even those who have completed prison terms, back into society so that they will not be compelled to take refuge with the mini-groups.

In this regard we have even anticipated doing something so that those in such situations could find employment in the factories, workplaces, and government offices, where the regulations prevent their acceptance, and thereby honorably serve the Islamic republic. In this connection the government approved a budget, but we have been unable to draw it unfortunately due to difficulties we have encountered.

He noted the enmity of the superpowers and discussed their desperate moves in the United Nations to condemn Iran on human rights issues. He said: Raising the issue of human rights in the United Nations and the recent bombings are part of a series of moves being made by the Human Rights Organization, which is called the Human Rights Organization but which actually supports the rights of imperialists, in response to the fact that the people of Iran have been mobilized to the fronts, and the nation of partisans of God is swarming to the fronts to uproot Saddam's regime. With these steps, the organization wants to condemn Iran, and at the same time the domestic agents of world imperialism are taking a series of steps, and these events have to do with the foreign and domestic policies of world imperialism with regard to the Islamic republic.

He added: In sensitive times, when the Islamic republic is especially active at the fronts, this organization has condemned Iran in defense of human rights and defended Saddam and America, thinking that this weakens Iran's position in the eyes of world public opinion. On the other hand, the domestic agents of world imperialism resort to terrorism and bombings. Of course the Ministry of Intelligence has taken many steps in this area, which, praise God, have been fruitful.

Hojjat ol-Eslam Reyshahri discussed the meetings between the leader of the Mojahedin and the one responsible for the killing of Palestinians in Black September (King Hussein). He said: In order to obtain aid from world imperialism, the Mojahedin feel they need two things; one is proof of their complete loyalty and harmony with the policies of world imperialism, the other is proof of their power and efficiency. On the other hand, the Mojahedin are drowning in the swamp they have fallen into, where they sink deeper every day, and they feel weaker every day. Their methods are becoming more deranged, to the point that one of these deranged methods the Mojahedin are using to prove their complete loyalty and harmony with the policies of the West is the meeting with King Hussein. You know that King Hussein is the symbol of the implementation of Western policies in the area. A meeting with King Hussein represents complete complicity with the policies of America and world imperialism in the area, and this shows that the hypocrites organization is in complete agreement with America's plan for occupied Palestine and the PLO, as well as with the policies of world imperialism with regard to the area's anti-Islamic movements. On the other hand, since the hypocrites organization considers it likely that Saddam's regime will fall, they feel that it must have another base of support, so that even if they have problems in France, they will be able to take their forces to Jordan, and carry out this terrorism in order to prove their power and efficiency and obtain help from them, and soothe themselves with the idea that they can be agents of imperialism in the future.

## Fight against Administrative Corruption

Concerning the fight against administrative corruption, the Minister of Intelligence said: The primary responsibility of the Ministry of Intelligence is to stop subversive and spy movements and to deal with them, but the Prime Minister has recently proposed that the Ministry of Intelligence cooperate in the fight against administrative corruption and bribery. God willing, we will also be able to be active in this area, in cooperation with the judicial powers.

## Improper Use and Non-Use of the Veil

Concerning improper use and non-use of the veil, he said: In my view the problem of the improper use of the veil has improved now with a set of guidelines issued to the ministry by the Prime Ministries. Veils are no longer improperly worn in the ministries, or the problem has been minimized. Of course, in society and outside the offices, there problems, which I think must be dealt with in a calculated way.

He added: As you know, in one of last week's cabinet meetings, in connection with demonstrations some people were planning in the name of the partisans of God against improper use of the veil, it was announced that in accordance with government policy, such demonstrations must not take place. The people were warned not to heed such urgings, and told that to send a group of people out to harass an individual who is without a veil or is wearing one improperly is no way to confront improper use of the veil. These measures have the effect of weakening the Islamic republic. As the government proclamation said, while the people have been mobilized to the fronts, a mobilization against the improper use of the veil diverts public opinion from the fronts. We think that dealing with the improper use of the veil must be very calculated. According to religious and law and regulations, the government itself is taking the necessary steps.

He added: Our belief is that improper use of the veil is at its origins the work of imperialism, and its current aggravation is also the work of world imperialism. With regard to this, we have some issues we will discuss in detail at the appropriate time. If the improper use of the veil is not dealt with in a calculated way, just as the improper use of the veil is itself inspired by world imperialism, God forbid, it is possible that the very campaign against it could be used to serve the aims of world imperialism.

## Bombers Arrested

He discussed the arrest of a number of bombers in West Azarbaijan. He said: I cannot give the number arrested, but they represent various mini-groups such as the hypocrites, the monarchists, the disbanded Democratic party, and others who perceive themselves weakening. These desperate efforts of theirs were simply so that they would be able to extend their parasitic lives a few days and prove their power and efficiency to world imperialism.

At the end of the conference he expressed his appreciation for the Fars Province Intelligence Office, calling it one of the strongest intelligence offices in the country. He said: The efficiency of the Fars Province intelligence office has been greater than that of the country's other province intelligence offices, and, in view of the positions they have had, we will make everything available to them that we can.

## Talks Prior to Prayer Sermons

Hojjat ol-Eslam Reyshahri then attended Shiraz's Friday prayer ceremonies and gave a lengthy pre-sermon speech.

He said: I want United Nations members who support human rights to come and see the exhibit on mini-group crimes which has been prepared in Shiraz in order to become more familiar with the acts of those they defend. Are the people who have committed these crimes human? According to their own statistics, these hypocrite criminals have killed up to 15,000 people since the war began. We do not say that the statistics are correct, but these are their claims. They themselves have also issued statistics that from Shahrivar of last year [23 Aug - 22 September 1984] to Shahrivar of this year [23 Aug - 22 September 1985] they have killed 1,500 persons, and this is their own admission. I am not saying that these statistics are correct, but is their own admission sufficient documentation for the United Nations? What should be done with people who do such things? If someone arrests a criminal and he is executed after trial, isn't this respect for human rights? Do these organizations have any goal other than defending the rights of the superpowers?

In another portion of his talk, he said: Just last week, when Iran was condemned by the United Nations General Assembly, the mercenaries of world imperialism set off two bombs in Tehran. Aren't bombers human rights violators? Aren't they to be condemned? You have heard of the crimes they committed at the Tehran Friday prayer. They placed an explosive carpet beneath the feet of ten to 15 persons, whose only crime was participating in the Friday prayer, and detonated it. Aren't these people human rights violators?

He said: Here it is good if I advise the dear worshippers that another two-by-four explosive prayer carpet was discovered at a Friday prayer service in another city by your anonymous brothers in the Ministry of Intelligence, and the plot thwarted. Likewise, these brothers were able to detect 1,513 bombing plots.

He said: Of course, I am not claiming that no one commits violations in the Islamic republic. Naturally, violations also exist, just as they existed in the time of the Prophet of Islam (Peace Be Upon Him) and His Holiness 'Ali (Peace Be Upon Him). The enemies of our Islamic revolution also realize well that this revolution benefits the oppressed, to spread justice, and to make preparations for the arrival of Mehdi (May God Hasten His Joyful Advent). This is a reality that our enemies fear, because it has shaken the capital of the superpowers and endangers their surrogate government.

In conclusion he expressed appreciation for the participation of the Partisans of God of Fars Province in the biggest Karbala caravan.

9310

CSO: 4640/138

IRAN

#### COMPANY BANKRUPT AFTER RETURN TO ORIGINAL OWNERS

Tehran KEYHAN in Persian 28 Oct 85 p 18

[Text] The Shokuh Weaving Factory of Esfahan, which was confiscated after the victory of the Islamic Revolution, and returned to the original owners in 1362 [21 March 1983-20 March 1984] was closed by these owners about 7 months ago. This action left the factory's 320 workers with no way of making a living.

This factory, which was managed by the government as of 1358 [21 March 1979-20 March 1980] and which had started turning a profit, was returned by court order to its four original owners in the second half of 1362. Since that time, because of the owners' graft, the bankruptcy and indebtedness of the factory was discussed repeatedly. Seven months ago it actually closed.

The owners of the factory are Mohammad 'Ali, Hossein and 'Ali Labbaf, and the son of a deceased brother of theirs.

In 1355 [21 March 1976-20 March 1977], these men, along with an individual named Ahrabi Hashemi, their previous partner in the factory, pocketed enormous sums by presenting a phony balance sheet. The newspaper ETTELA'AT published a complete description of this corruption in its 17 October 1976 edition. At that time, the court convicted Mohammad and 'Ali Labbaf, in addition to a company auditor named 'Abbas 'Ali Avhadi, under paragraph 258 of the commercial code. After a while the Labbaf brothers bought the factory together. After the victory of the Islamic Revolution in 1979, the original owners left the factory without notice. The factory was run by the government until 1362 when, by court order, it was again turned over to the brothers. Once again, by mismanaging the factory, using more storage space than was needed for parts, borrowing from thread cooperatives, failing to pay the 7 percent insurance fee to the government, obtaining massive loans, etc.; they drove the factory to bankruptcy and closure.

According to available documents, this group currently owes 71.4 million rials to the provincial bank; as well as enormous sums to the electricity and insurance departments. The documents also indicate that they intend to raise additional large sums of money by selling the factory's land, and firing hundreds of workers.



## Workers' Statements

In this regard, Mohammad Ebrahim Soleymani Miansal, a member of the Shokuh Factory Workers Council, while presenting impressive evidence that the owners have violated the workers' rights, stated the following in an interview with KEYHAN:

"This factory has been closed from 27 April 1985 until now because of the whim of a group of capitalists. Not a single worker has received a salary during this period eventhough the workers are present on their designated shifts."

He added: "For God's sake, look at the afflicted faces of these old men and women who, after working in this factory for 27 years, are now compelled to find someone who would perhaps, loan them a rial, so that they may obtain sustenance until the end of the month."

He continued: "Through various letters, we have brought our problems to the attention of the Esfahan Governor General's Office, the Ministry of Labor and Social Affairs, The Esfahan Department of Labor, the Ministry of Industry, the Revolutionary Tribunal, and the Majlis. We have told them that the debt burden is breaking our backs. But, unfortunately, until now we have not gotten a positive reply. One time, Mister Nuri and Mister Mo'azi, Esfahan's representatives in the Majlis, even came here. They saw for themselves the conditions at the factory. They obtained 10 million rials from the Loan Fund to pay the workers' salaries. But two months went by, and the salaries had to be paid again."

'Ali Mazru'i, another Shokuh Factory worker, said: "We have suffered patiently for seven months now. We have not committed any possible counterrevolutionary graft, but for how long?"

He added: "Oh Muslim servants of God, come and see. The factory workers make a living by selling their household goods, and they do not say a thing. I swear by God that we have been martyred and that we are afflicted. Look at our faces! Are we fighting the war or is Mr Labbaf? If we do not go into the streets, and do not demonstrate, it is only because of our high esteem for the Islamic Republic. There is no other reason."

Safar Manian, the father of a war casualty, is a 60-year-old worker who worked in the Shokuh Factory for 25 years. This is what he had to say about the factory's recent difficulties: "After our hair has turned white from working 20 years in this factory, and the role we played in the Revolution, we expect the officials to listen to us."

"The Imam said that we are the masters of the Revolution. God knows we are surviving by selling the carpets from under our feet."

Fatemeh Razvani, another worker said: "I have worked in this factory for 12 years, and I am the head of a family. Eventhough I am 54 years old, I have to go and hold out my hand for a loan. Up to now we have managed to stay on our feet by borrowing."

One must keep in mind that the workers are demanding an investigation of their situation. They want the authorities to deal harshly with these kinds of actions.

#### Statements of Local Officials

'Ali Baba'i, an official of the Political Bureau of the Esfahan Governor General's Office, during a telephone interview, made the following statement regarding the actions of the Governor General's Office in the Shokuh Factory affair:

"Up to now, the Esfahan Governor General's office, by contacting officials in Tehran, and by keeping them up to date, has done everything possible to resolve the problem. But these conditions cannot be solved at provincial level. In as much as various meetings have been held about this important matter, it should be followed up in the capital."

He added: "Nevertheless, so far we have tried to get the factory ready for production through various contacts with the Department of Electricity. We are even keeping the Prime Minister informed about the problems of this factory."

He noted: "The legal system should treat the factory owners with all possible severity, because they owe huge amounts. The latest result, which we obtained through persistent efforts, is that the Ministry of Labor has invested in the factory, and the factory is about to start operating. But what is important is how the owners of the factory are going to be treated, because the root of the problem is their reluctance to operate the factory."

He also said, regarding the factory's debt: "A commission should be formed to settle the factory's debts, and to specify its owners. This is because the factory's debts are beyond the ability of the government to pay, and the owners should pay their own debts."

Mr Farshbaf, the Director General of Labor and Social Affairs of Esfahan Province, in a telephone interview, supported the view of the workers and their actions against the owners for closing the factory. He also demanded an immediate investigation of the factory by officials of the legal system.

According to the latest report from the Shokuh Factory Islamic Council, the wife of one of the workers, named "Malekeh 'Ashuri," overcome by her poverty and inability to pay heavy living expenses, tried to kill herself

the day before yesterday with a poisonous substance. Fortunately,  
her life was saved after she was taken to the hospital.

According to this report, many workers have experienced family  
problems because of poverty and failure to receive wages for seven months.

12847/12858

CSO: 4640/121

IRAN

#### BRIEFS

CLANDESTINE ON MOHAMMADI-REYSHAHRI--Mohammadi-Reyshahri, minister of information and espionage of the Islamic Republic Regime of Tehran, who claimed yesterday that 60 members of a leftist group in Iran have been arrested, will leave for Europe soon. Concerning the reasons for this trip by the minister of espionage of the regime, our correspondent reports that Mohammadi-Reyshahri will first go to Rome, followed by FRG, Geneva, and London, in order to set up another terrorist network. Mohammadi-Reyshahri will be accompanied by three bodyguards and two advisers. One of the advisers, by the name of Behzadi, used to live in the GDR. No decision has yet been taken about whether he will be traveling under another name during this trip. Apparently two Hezbollahi students of the regime living in Mainz and Frankfurt in the FRG will be joining this group. [Text] [(Clandestine) Voice of the Liberation of Iran in Persian 1630 GMT 3 Jan 86 GF] /12913

CLANDESTINE ON RADIO ATTACKS--The radio of Khomeyni has started retaliatory attacks against the Soviet Union. Since last week, the Voice of the Islamic Republic has been airing political and economic commentaries concerning the unfavorable economic and social conditions in the Soviet Union which, in the opinion of observers, is the start of radio war between the two neighbors and in response to recent crushing commentaries by Moscow Radio against the regime of Mullahs. In the last commentary aired by the radio of Khomeyni's regime three nights ago, the economic situation of the USSR was criticized and the country was referred to as a country close to the level of an undeveloped country. [Text] [(Clandestine) Voice of the Liberation of Iran in Persian 1630 GMT 3 Jan 86 GF] /12913

CLANDESTINE ON MILITARY MOVEMENTS--The transportation of military units of the regime along the border with Afghanistan has attracted the attention of foreign diplomats residing in Tehran. Our correspondent, quoting the military attache of a foreign embassy in Tehran, reports that during the past weeks the only complete armored brigade of the Guards Corps, called [name indistinct] from the Mohammad the Prophet Army, and two infantry battalions of the ground forces have been transferred from the Torbat-e Heydariyeh training unit to the border between Iran and Afghanistan. According to this report, the advanced guards of the army, using military maneuvers in [name indistinct] and [name indistinct] and Ahangran as an excuse, were last week involved in armed

5 February 1986

clashes with Afghan soldiers positioned in border posts of that country. The reason for these military operations is still unknown to regional observers in Iran. A member of the Guards Corps mentioned this military movement as a tactical operation. [Text] [(Clandestine) Voice of the Liberation of Iran in Persian 0330 GMT 7 Jan 86 GF] /12913

FADLALLAH URGES RESISTANCE--Beirut, 4 January IRNA--The leader of Friday prayers in southern Beirut, Allamah Mohammad Fadlallah, stressed here Friday the need for an all-out resistance against the Zionist occupiers. Referring to the claims of the Zionist regime on the withdrawal of its forces from Lebanon, Allamah Fadlallah said that it was a plot which indicated a change in the policy of the Zionists in Lebanon. A proof to the falsity of these claims, he added, was that the Zionist regime was shelling all liberated areas. Further on the situation in Lebanon, he said that the Zionist regime was the cause of all problems in Lebanon, adding that peace will be established in Lebanon only through complete defeat of the Zionists. [Text] [Tehran IRNA in English 0900 GMT 4 Jan 86 LD] /12913

SAIRI HEAD URGES MUTINY--Tehran, 5 January IRNA--The head of the Supreme Assembly of the Islamic Revolution of Iraq Hojjat ol-Eslam Mahmoud Hashemi called on the Iraqi Army to mutiny and turn their weapons on the Ba'thist rulers in a fight to achieve freedom and independence of their country. In his message issued on the occasion of the establishment of the Iraqi Army, Hashemi called on the army to join forces with the Iraqi nation fighting against the Ba'thist regime. The message furthermore condemned the Ba'thist rulers brutality against the Muslim forces of the Iraqi Army for their insubordination to Saddam's cruel orders. It called on the Iraqi Army to step up disobedience and rest assured that the Muslim Iraqi nation were with them. [Text] [Tehran IRNA in English 1755 GMT 5 Jan 86 LD] /12913

BANDAR 'ABBAS EXPORT STATISTICS--During the first half of the current year [period beginning 21 March 1985], over 200,000 tons of non-oil products were exported through the port of Bandar 'abbas, an increase of some 70,000 tons over the 12-month period of last year. The products exported include nuts, fruit and other agricultural products of the province. Most of the products were sent to the Persian Gulf emirates, earning a considerable amount of foreign exchange for the Islamic Republic of Iran. [Summary] [Bandar 'abbas Domestic Service in Persian 1500 GMT 7 Jan 86 GF] 12624

CSO: 4640/139

PAKISTAN

CONSEQUENCES OF KHAR'S RETURN TO PAKISTAN DISCUSSED

Lahore NAWA-i-WAQT in Urdu 14 Dec 85 p 1,2

[Article by Sheikh Riaz Pervez: "Khar's Return"]

[Text] Is Ghulam Mustafa Khar, the former governor of Punjab coming back? When is he coming? Has he made an accord with the government? Is he ready to undergo the punishment that different military courts have imposed on him in this absence? These are the questions being asked in the country in general and in Punjab in particular. In his native region of Multan and Dera Ghazi, these have become burning questions. At this moment two of his brothers, Ghulam Mujtaba Khar and Ghulam Murtaza Khar are elected members of the National Assembly, and one brother, Nur Rabbani Khar, is a member of the Provincial Assembly. Ghulam Ghazi is also the elected chairman of the District Council of Muzaffargarh. In the recent nonparty elections, the people gave their votes to these three individuals only because they are the brothers of the self-exiled Ghulam Mustafa Khar, now living in London. These brothers do not admit it though. They even deny any knowledge of whether he expects to be jailed on his return and whether he is returning after making an agreement with the government. Only his fourth brother, Ghulam Miladi Khar is still in the Pakistan People's Party. He refused to take part in the recent elections. The military regime kept him in the New Central Multan Jail for 3 years, 9 months. He is a political follower of his eldest brother.

Ghulam Mustafa Khar says that his two brothers who are members of the National Assembly have betrayed him, while about Ghulam Rabbani (who is a member of the Provincial Assembly) he says that he had to take part in the elections because he was too weak to stand against the other two brothers. Ghulam Mustafa Khar said to the present writer on the telephone, "My brothers have cashed me like a 'blank check,' how will I ever repay the poor voters of the Muzaffargarh District who have done it all for my sake?" He is right to some extent, but we want to refresh his memory by reminding him that during the days when he was the all-powerful governor of Punjab his brother Ghulam Ghazi was not among those who were sharing his power in the district of Muzaffargarh. Ghazi Khar has been a famous hunter, and he started to take part in politics only during the recent years. Mujtaba Khar quarreled with his elder brother and went to London. Mr Bhutto called him back from London because he wanted to use him against Ghulam Mustafa Khar, with whom he was not on good terms in those days.

Only his two brothers, Ghulam Miladi and Ghulam Rehmani enjoyed the time Ghulam Mustafa Khar was in power.

Ghulam Mustafa Khar has been in London for the last 8 years. The military regime, he says, sent him out of the country so that he might bring back the tapes that had been prepared during the dialogues between Bhutto and Mujibur Rehman. He says that he had tried to persuade Mr Bhutto to save himself by leaving the country, but he had refused to do so. He had, however, allowed Khar to save himself by leaving the country.

This is the situation just now: The military court of Bhawalpur has sentenced him to 25 years heavy imprisonment in absentia. Different law courts of Pakistan have awarded him a total of 35 years of heavy imprisonment with the confiscation of all his property. All his property, including his house in Lahore and his lands in Muzaffargarh, have been confiscated, though everything is still in the hands of the Khar family. The Rawalpindi firing case is still in the Sessio court.

Ghulam Mustafa Khar says that he would come to Pakistan at the end of martial law, late in January or in the first for night of February, and face whatever fate awaits him. People who know him intimately say that the reasons for his return are partly political and partly domestic. His children are growing up and he cannot neglect them by staying away from home.

The government circles have made no comments on the news of Mr Khar's return. On the other hand the prime minister has announced that all political prisoners will be released after the end of martial law. But his news has caused a lot of commotion in the ranks of the Pakistan People's Party. Jahangiy Badr, president of the PPP Punjab, has started touring the country, and wherever he goes he gives out that Mr Khar is coming back in order to challenge the leadership of the Bhutto family and that he has made his peace with the government and the martial law authorities. Tikka Khan, the general secretary of the defunct Pakistan People's Party, has declared openly that anybody joining Mr Khar would be deprived of his post in the PPP. He has accused Mr Khar of having a good time in London while the workers and leaders of the party were undergoing trials and imprisonment in the country. Faruq Lighari, the resigning general secretary of the PPP, has refrained from making a public statement, but he is busy organizing party workers in his native town of Dera Ghazi Khan. Mr Khar on the other hand, states that he is returning to Pakistan in order to protect, even at the stake of his own life, the leadership of Miss Benazir Bhutto. On the telephone, he has called all his followers in Punjab to buck up and make the PPP active and effective. Mian Sajid Pervez, Mr Khar's right-hand man and former member of the National Assembly, has said that there had been, during the time of Mr Bhutto, a plot against Mr Khar. Mr Bhutto was given the wrong impression that Mr Khar was trying to usurp his power in Punjab. This plot worked for a while, but soon Mr Bhutto realized that it had been a false accusation. Mian Sajid Pervez says that a similar plot is being hatched now that Mr Khar is returning. But this, too, will fail since Miss Benazir Bhuto has great regard for Mr Khar who she calls "Uncle."

Whether Mr Khar returns to Pakistan or not, the present officers of the PPP have quickened their campaign against him, while his followers in the party have started to hold conventions. Such conventions have taken place in Gujranwala and Shaikhupura. Former provincial minister, of Dalai Camp fame, Chaudhary Irshad Ahmad, has been very active in these conventions. In Sialkot, Chaudhary Mohammad Hanif, and, in Faisalabad, former provincial minister Chaudhary Talib Hussain are also preparing to hold conventions. In Lahore, the provincial treasurer of the party, Sayed Nazim Hussain Shah, Chaudhary Ehsan, Mani Pelwan, student leader Mustansar Billah, Chaudhary Mukhtar and Waliur Rehman have all come out in the arena in favor of Mr Khar against Jahangir Badr and his group.

In Multan Division, former provincial law minister and divisional president of the defunct PPP, Mukhtar Ahmad Awan, Bashir Bhutta, the secretary general of the party for Multan city, Mian Sajid Pervez, general secretary of the liaison committee of the MRD, and Ali Mohammad Bucha, president of the Multan Tehsil, have made arrangements to hold such a convention on 5 January, the birthday of Mr Bhutto. These people stick to Mr Khar despite all the threats from Tikka Khan, the secretary general of the Pakistan People's Party. In the new district of Khanewal, Ahmad Bux, former member of the Provincial Assembly and Sayed Amir Ali Shah, the general secretary of Dera Ghazi Khan divisional party are organizing the workers for this purpose. Malik Miladi Khar is collecting workers to compete with Manzur Ahman Khan, the party president of Muzaffargarh. In the meantime, Jahangir Badr and other anit-Khar people are gathering their forces in both these divisions.

According to the Khar group, the PPP is a party of the people but it needs strong leadership, just as a body needs blood. They say if you take away outstanding persons like Khar in Punjab, Mustafa Jatoi in Sindh, Yahya Bakhtyar in Baluchistan and Aftab Sherpau in the Frontier Province, Miss Benazir Bhutto, the chairman of the Pakistan People's Party, will be deprived of her best helpers. These members of the defunct PPP say that such conventions will bring strength and prestige to the party. These conventions, it is said, should frighten other political parties and the government. Why are other members of the PPP being frightened by them? Those in the Khar group say that there is a vacuum in Punjab where political leadership should be, and Mr Khar is quite capable of filling that gap. The anit-Khar people, on the other hand, say that Mr Khar's rule in Punjab had been a reign of terror. Decent people were insulted, students were dishonored in public, and political leaders and workers had to undergo untold tortures. Mr Khar's cruelty, they say, gave the party a bad name and the chairman had to pay the price with his blood. Party workers will not accept him as their leader.

What will happen when Mr Ghulam Mustafa Khar returns has yet to be seen, but it appears that the present leadership of the Pakistan People's Party will not be able to stand against him.

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